

HOST COMMUNITY AGREEMENT

This Host Community Agreement (the “Agreement,” as more particularly defined below) dated as of the 27th day of August, 2013 (the “Effective Date”) is made by and between the City of Boston, Massachusetts, a municipal corporation (the “City,” as more particularly defined below), acting by and through its Mayor, with a principal place of business at 1 City Hall Square, Suite 500, Boston, Massachusetts 02201 and Sterling Suffolk Racecourse, LLC, a Massachusetts limited liability company with a principal place of business at 525 William F. McClellan Highway, East Boston, Massachusetts 02128 (“Sterling Suffolk”). Capitalized terms used and not defined elsewhere in this Agreement are defined in Article I.

RECITALS

WHEREAS, the Commonwealth of Massachusetts (the “Commonwealth”) on November 22, 2011 enacted “An Act Establishing Expanded Gaming in the Commonwealth,” Chapter 194 of the Acts of 2011, principally codified at M.G.L. c. 23K (as may be amended from time to time, and together with any rules, regulations, policies and guidance promulgated thereunder, the “Act”);

WHEREAS, the Act reflects the public policies of the Commonwealth with regard to the operation and regulation of expanded gaming as well as the public benefits to the Commonwealth and its citizens expected from a gaming project conducted in accordance with such policies, such as the creation of jobs, the generation of revenues for public purposes, and the increase of tourism and economic development within the Commonwealth;

WHEREAS, the Act established the Massachusetts Gaming Commission (the “Commission”) having the authority and responsibility to select, license, oversee and regulate expanded gaming facilities in the Commonwealth;

WHEREAS, the Commission has the authority under the Act to issue not more than three Category 1 licenses to qualified applicants based on the applications submitted to the Commission;

WHEREAS, the Commission has the authority under the Act to award not more than one Category 1 license in Region A, which is defined in the Act as Suffolk, Middlesex, Essex, Norfolk and Worcester counties;

WHEREAS, the Act establishes that the Commonwealth will receive 25% of annual gross gaming revenue from a Category 1 licensee, and such revenue will be dispersed by the Commonwealth into pre-determined funds as follows: 20% to Gaming Local Aid Fund, 14% to the Education Fund, 15% to Transportation Infrastructure and Development Fund, 10% to Commonwealth Stabilization Fund, 10% to debt reduction, 9.5% to Gaming Economic Development Fund, 6.5% to Community Mitigation Fund, 5% to Public Health Trust Fund, 4.5% to Local Capital Projects Fund, 2.5% to Race Horse Development Fund, 2% to Massachusetts Cultural Council, and 1% to Massachusetts Tourism Fund;

WHEREAS, the Act provides that no applicant is eligible to receive a gaming license unless the applicant provides the Commission a signed agreement between the applicant and the municipality or municipalities, designated as a host community, in which the applicant has proposed locating a gaming establishment (a “Host Community Agreement”), which Host Community Agreement sets forth the conditions for a gaming establishment in a host community and provides for the payment by such applicant of a community impact payment to the host community to mitigate the impacts of the gaming establishment upon the host community;

WHEREAS, Sterling Suffolk is the owner of a 161 acre parcel of land (as more particularly described herein, the “Property”) located in both the East Boston neighborhood (Ward 1) of the City and in the City of Revere, Massachusetts (“Revere”), as shown on the plan attached hereto as Exhibit A on which Sterling Suffolk operates Suffolk Downs, a thoroughbred horse racing facility licensed by the Commonwealth pursuant to the provisions of M.G.L. c. 128A which is licensed by the Commonwealth to conduct simulcast wagering pursuant to the provisions of M.G.L. c. 128C;

WHEREAS, Sterling Suffolk proposes to construct a resort-style destination gaming establishment on the Property consisting of (i) two distinct gaming areas providing between 150,000 and 250,000 square feet of gaming space with between 4,000 to 6,600 gaming positions (consisting of an evolving combination of slot machines and table games), (ii) a World Series of Poker™ room or rooms, (iii) two luxury hotels providing a total of 450 rooms, (iv) between 24,000 and 46,000 square feet of meeting and entertainment space, (v) bars, nightclubs and between 10 and 17 restaurants, including fine dining concepts, casual dining and a local marketplace, collectively containing between 1,700 and 2,600 seats, (vi) up to 30,000 square feet of retail space, including a spa, (vii) thoroughbred horse racing and simulcast wagering, (viii) a seven-story parking garage with up to 2,600 spaces, (ix) valet parking area for up to 460 additional vehicles, (x) up to approximately 2,100 surface parking spaces, (xi) a central utility plant, and (xii) other amenities and uses customarily accessory or ancillary to the foregoing (as the same may be approved by the City and the BRA, collectively, the “Project”);

WHEREAS, Sterling Suffolk has contracted with Caesars Massachusetts Management Company, LLC, to operate the Casino portion of the Project;

WHEREAS, the Project, including the Casino, hotels and other components and amenities, will have all the superior level finishes, amenities and services provided at the highest level of casino developments in the United States and in no event any lesser quality than what is found at the Caesars Palace resort in Las Vegas, Nevada;

WHEREAS, the Project has been designed to be one of the greenest casino development projects in the United States as a result of the sustainability commitments agreed to by the Parties, all as more particularly set forth herein;

WHEREAS, the City, upon analysis, reporting and advice, has determined that the Project as planned keeps the race track at Suffolk Downs open and operational and therefore maintains jobs and a local industry, in addition to supporting related agriculture and the preservation of family farms and related open space in the Commonwealth;

WHEREAS, the portion of the Property within the City, identified as Tax Parcel 0102524000, currently generates \$1,194,632.84 in annual real property taxes for the City;

WHEREAS, the Project will result in at least One Billion Dollars (\$1,000,000,000) of capital investment by the Developer (as hereinafter defined) as well as at least 2,500 construction jobs and 4,000 permanent jobs, as well as indirect jobs, revenue and expenditures, including, without limitation, increased tourism and visitor-related revenue;

WHEREAS, the City is a host community for this Project as such term is defined in the Act under the Act and this Agreement is intended to be the Host Community Agreement with the City as required by the Act;

WHEREAS, although the Project is located within two host communities, the Community Impacts emanating from the Project will disproportionately burden the City as approximately 116 acres of the 161-acre Property are located in East Boston and approximately 45 acres of which are located in Revere as shown on Exhibit A, and in particular the East Boston community, as a result of the location of the Gaming establishment on the portion of the Property within the City and the related burdens resulting therefrom on the City and in particular the East Boston community, including, without limitation, as a result of construction and demolition proximate to residential neighborhoods in the East Boston community and impacts on the transportation and utility infrastructure in the City as approximately seventy percent (70%) of the traffic to the Project is expected to arrive via roads within the East Boston community in the City;

WHEREAS, the City, following an extensive review process, including extensive outreach and input from the community and analysis and input by subject matter experts engaged by the City, the City's own departmental experts, and the Host Community Advisory Committee, a five-member non-governmental body established by the Mayor, enters into this Agreement to provide for the mitigation of Project impacts as required by the Act;

WHEREAS, this Agreement recognizes and provides for the mitigation of Project impacts to the City and in particular the unique impacts on the East Boston community, which East Boston community will be most affected by the introduction of gaming into their community and subject to a disproportionally greater impact than any other community in the City during the construction period of the Project and thereafter, when the Project is open and operating in the East Boston community, including, without limitation, disproportionately greater impacts as a result of traffic, public transportation infrastructure, public safety services and construction and demolition;

WHEREAS, the Developer will pay an upfront fee to the City in the amount of Thirty-Three Million Four Hundred Thousand Dollars (\$33,400,000.00) to be used by the City to support local businesses, construct a community center and improve schools and parks, all as more particularly set forth herein;

WHEREAS, the Developer will pay a minimum annual fee to the City in most years in the amount of Thirty-Two Million Dollars (\$32,000,000.00) as well as a percentage of gross gaming revenues, all as more particularly set forth herein, which annual payment will cover both the real property taxes for the portion of the Property in the City and mitigation payments to enable the City to mitigate foreseen and unforeseen community impacts from the Project;

WHEREAS, the Developer's obligations to pay the upfront fee and annual fees set forth above and to comply with the terms of this Agreement are secured by, among other things, letters of credit;

WHEREAS, when the Project is operational, the Developer will use best efforts to spend a minimum of Fifty Million Dollars (\$50,000,000.00) annually in goods and services from vendors and companies located in the City of Boston with specific spending requirements for vendors and companies located in East Boston, all as set forth herein;

WHEREAS, the Developer shall implement and fund a minimum of Forty-Five Million Dollars (\$45,000,000.00) of traffic and public transportation improvements in the East Boston community and in Revere, all as set forth herein;

WHEREAS, the City will establish, pursuant to this Agreement, a Construction Impact Working Group (as hereinafter defined) to oversee impacts and mitigation to the City and the East Boston community during the construction of the Project;

WHEREAS, the City has or will establish the Gaming Accountability Office which will work with the community, the Construction Impact Working Group and all City impacted agencies, department, offices and commissions to review, monitor, analyze and seek compensation from the Community Impact Trust for the mitigation of impacts from the Project, including without limitation, Boston Police Department, Boston Fire Department, Emergency Medical Services, Boston Public Health Commission, Mayor's Office of Arts, Tourism and Special Events, Department of Neighborhood Development, Office of Small Business, Transportation Department, Environment and Energy Services Cabinet, Boston Public Library, Boston Centers for Youth and Families, the Commission on the Affairs for the Elderly and the Parks and Recreation Department;

WHEREAS, pursuant to the Act, if the gaming establishment is proposed to be located in a city with a population of at least 125,000 residents as enumerated by the most recent enumerated federal census, "host community" shall mean the ward in which the gaming establishment is to be located for the purpose of receiving a certified and binding vote on a ballot question at an election;

WHEREAS, the City has a population of 617,594 residents as enumerated in the 2010 United States Census and the community of East Boston (Ward 1) has a population of 40,508 as enumerated by the most recent enumerated federal census;

WHEREAS, the Project is located within Ward 1 of the City, as more particularly shown on Exhibit B; and

WHEREAS, the Act requires that the governing body of the City set a date for a vote within Ward 1 for the purpose of receiving a certified and binding vote on a ballot question;

NOW, THEREFORE, in accordance with the Act and in consideration of their mutual execution and delivery of this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

I. DEFINITIONS

The following terms are expressly defined as follows:

- (a) “121A Approvals” means any and all agreements and approvals from the City and/or the BRA necessary to allow the Project to qualify for alternative tax payments pursuant to M.G.L. c. 121A and the regulations promulgated thereunder and the Massachusetts Acts and Resolves of 1960, Chapter 652, as amended (collectively, “M.G.L. c. 121A”), including, without limitation, the application by the Developer or its designee for authorization and approval of the Project as a Redevelopment Project pursuant to M.G.L. c. 121A, a Regulatory Agreement by and between the Developer or its designee and the BRA, and the 6A Agreement by and between the Developer or its designee and the City.
- (b) “6A Agreement” means the agreement between the City and Sterling Suffolk or its designee under M.G.L. c. 121A, § 6A. The payments due and owing under the 6A Agreement shall include payments to be made by the Developer or its designee to the City, including, but not limited to, the Developer’s Upfront Community Impact Fee and Annual Host Community Agreement Fee payments.
- (c) “Acquiring Party” shall have the meaning ascribed to it in Exhibit Q of this Agreement.
- (d) “Act” shall have the meaning ascribed to it in the recitals of this Agreement.
- (e) “Additional Annual Host Community Agreement Fee” shall have the meaning ascribed to it in Section IV.C. of this Agreement.
- (f) “Affiliate” means a Person in which a cumulative total of more than fifty percent (50%) of the beneficial interests are owned, directly or indirectly, by the owners of the beneficial interests in the Developer, as of the Effective Date, a trust or trust for the benefit of their immediate family members, or their respective heirs at law. Notwithstanding the foregoing, the term “Affiliate” shall include any publicly-traded company that directly or indirectly owns more than fifty percent (50%) of the Developer, and the direct and indirect subsidiaries of such publicly-traded company, but shall not include any direct or indirect shareholder or director of such publicly-traded company or any Affiliate of such shareholder or director of such publicly-traded company (other than the publicly-traded company and the direct and indirect controlled subsidiaries of such publicly-traded company).

- (g) “Agreement” means this Host Community Agreement including all exhibits and schedules attached hereto, as the same may be reopened from time to time in accordance with the terms herein.
- (h) “Annual Host Community Agreement Fee” shall have the meaning ascribed to it in Section IV.C. of this Agreement. As noted herein, the Annual Host Community Agreement Fee shall be made payable to the City in accordance with the terms of the 6A Agreement, to the extent the 121A Approvals are granted.
- (i) “Approvals” means all or any licenses, permits, approvals, consents, actions and authorizations that the Developer is required to obtain from any Governmental Authority to perform and carry out its obligations under this Agreement, including, but not limited to, the Approvals listed in Exhibit C attached hereto, the 121A Approvals (to the extent the 121A Approvals are granted by the City and the BRA) and such other permits and licenses necessary to complete the Work, and to open, operate and occupy the Property and the Project.
- (j) “Authorized Lender” means any bank, insurance company or other entity (i) regularly involved in the business of making, servicing or investing in real estate mortgages or financing of personal property which is not a Finance Affiliate, including, without limitation, Bank of America, N.A., a national banking association, or (ii) that has been qualified for licensure pursuant to Sections 12 and 16 of the Act or been granted a waiver by the Commission pursuant to the Act and 205 CMR 116.03(1)c.
- (k) “Authorized Mortgage” shall have the meaning ascribed to it in Exhibit Q of this Agreement.
- (l) “Authorized Representatives” means a Party’s employees, agents, consultants, contractors, subcontractors and representatives.
- (m) “Base Annual Host Community Agreement Fee” shall have the meaning ascribed to it in Section IV.C. of this Agreement.
- (n) “BRA” means the Boston Redevelopment Authority, a public body organized and existing under M.G.L. c. 121B, as amended.
- (o) “Casino” means any premises on the Property wherein Gaming is conducted by the Developer pursuant to the Act or other applicable law and this Agreement, and includes all buildings, improvements, equipment and facilities developed, constructed, used, or maintained in connection with such Gaming.
- (p) “Casino Year” means the one-year period beginning on January 1 of each year and ending on December 31, except that (a) the first Casino Year shall begin on the Early Opening Operations Commencement Date and end on the next succeeding December 31, and (b) the last Casino Year shall begin on the day following expiration of the preceding Casino Year and ends on the date that is the last day of the Term.
- (q) “Category 1 License” shall have the same meaning ascribed to it in the Act.

- (r) “City” means the City of Boston, Massachusetts, a municipal corporation with a modified Plan A form of government, as more particularly set forth in Chapter 452 of the Massachusetts Acts of 1948, as amended or modified by, among other references, Chapter 376 of the Massachusetts Acts of 1951 and Chapter 605 of the Massachusetts Acts of 1982, and all of the City’s agencies, departments, offices and commissions.
- (s) “City Council” means the City Council of the City.
- (t) “City Representative” means the Director of the Gaming Accountability Office or such other individual that may be designated by the Mayor from time to time who is the City’s authorized representative with respect to any matter related to or arising from this Agreement or the Project, and upon whose consent, approval or direction the Developer may rely as the consent, approval or direction from the City for all purposes of this Agreement.
- (u) “Commission” shall have the meaning ascribed to it in the recitals of this Agreement.
- (v) “Commonwealth” shall have the meaning ascribed to it in the recitals of this Agreement.
- (w) “Community Impacts” means both the known and unknown direct and indirect impacts to the community from or related to the development or operation of the Project, including, without limitation, (i) increased use of City services, (ii) increased use of infrastructure, (iii) the need for additional infrastructure, (iv) the need for additional City employees, services and/or equipment, (v) increased traffic and traffic congestion, (vi) increased pollution, including air, noise, water, and light pollution, (vii) issues related to public health, safety, welfare, education and addictive behavior, (viii) loss of existing City revenue, (ix) issues related to education, businesses, and housing, (x) issues related to public safety including police, fire and emergency medical services, (xi) issues related to quality of life, (xii) increased use of City streets for parking, as well as a reduced use of public parking facilities as a result of additional parking being made available at the Project, and (xiii) costs related to mitigating other impacts to the City, its services and its residents.
- (x) “Community Impact Trust” shall have the meaning ascribed to it in Section IV.D. of this Agreement.
- (y) “Condemnation” means a taking of all or any part of the Project by eminent domain, condemnation or similar proceeding by a competent authority for public or quasi-public purposes.
- (z) “Construction Commencement Date” shall mean the date that any material Work on the Project begins pursuant to any full or partial building permit or demolition permit issued to Developer from the City’s Inspectional Service Department for any portion or component of the Project, other than any Limited Preparatory Work, provided that the Construction Commencement Date shall be not later than sixty (60) days after the date Developer first conducts any Limited Preparatory Work.

- (aa) “Construction Impact Working Group” shall have the meaning ascribed to it in Section III.G. of this Agreement.
- (bb) “Construction Letter of Credit” shall have the meaning ascribed to it in Article IX of this Agreement.
- (cc) “Control(s)” or “Controlled” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, as such terms are used by and interpreted under federal securities laws, rules and regulations.
- (dd) “CPI” shall mean the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index for all Urban Consumers, Boston-Brockton-Nashua, MA-NH-ME-CT All Items, 1982-84=100. In the event that the United States Department of Labor shall cease to promulgate the CPI, the Developer and the City shall agree to meet and discuss in good faith the adoption of the commonly accepted alternative to the CPI for the purposes hereof.
- (ee) “Damage Period” shall have the meaning ascribed to it in Section VIII.D. of this Agreement.
- (ff) “Developer” means Sterling Suffolk, any designee of Sterling Suffolk under the 121A Approvals (to the extent the 121A Approvals are granted), the Operator, and each parties respective successors or assigns as permitted hereunder.
- (gg) “Development Process Cost Fees” means, to the extent not otherwise previously paid by the Developer to the City, whether directly or indirectly, a fee to reimburse the City for the aggregate amount of any and all costs and expenses in good faith paid or incurred by the City and its agencies, including, without limitation, the BRA and the City’s Public Health Commission, to third parties (including attorneys, accountants, consultants, engineers and others) in connection with the planning, preparation and negotiation of this Agreement, the enforcement of this Agreement, the Election, the planning, development, ownership, management and operation of the Project, and the issuance of a Category 1 License to the Developer and any renewals thereof; provided, however, that notwithstanding anything to the contrary contained herein, Development Process Cost Fees shall not include costs and fees incurred by the City arising from or related to the City’s breach of its obligations under this Agreement or the gross negligence or willful misconduct of the City or its Authorized Representatives.
- (hh) “Development Dispute Cost Fees” means, to the extent not otherwise previously paid by the Developer to the City, whether directly or indirectly, a fee to reimburse the City for the aggregate amount of any and all reasonable costs and expenses (including, without limitation, attorneys’ fees) in good faith paid or incurred by the City and its agencies, including, without limitation, the BRA and the Public Health Commission, in enforcing this Agreement and in defending lawsuits brought by third parties against the City and its employees and agencies as a result of the Project, the

Election and/or any approvals granted by the City or its agencies for any portion of the Project; provided, however, that notwithstanding anything to the contrary contained herein, Development Dispute Cost Fees shall not include costs and fees incurred by the City arising from or related to the City's breach of its obligations under this Agreement or the gross negligence or willful misconduct of the City or its Authorized Representatives.

- (ii) "Direct or Indirect Interest" means an interest in an entity held directly or an interest held indirectly through interests in one or more intermediary entities connected through a chain of ownership to the entity in question, taking into account dilutive effect of the interests of others in such intermediary entities.
- (jj) "Dispute" means any claim, demand, controversy, action or cause of action between the Developer and the City arising out of or relating to the Project, this Agreement or the transactions contemplated hereby, including as a result of any Event of Default or concerning the construction, validity, performance, and interpretation of any provision of this Agreement.
- (kk) "Early Opening Component" means the components of the Project set forth in Exhibit D attached hereto of this Agreement.
- (ll) "Early Opening Operations Commencement" means the completion of the Work for the Early Opening Component, as evidenced by the issuance of a certificate of occupancy (final or temporary) for all portions of the Early Opening Component, and that portions of the Project applicable to Early Opening Component, including, without limitation, the Early Opening Transportation Improvements are complete, operational, and open for business to the general public.
- (mm) "Early Opening Operations Commencement Date" means the date occurring no later than twelve (12) to fourteen (14) months after the Construction Commencement Date.
- (nn) "Early Opening Transportation Improvements" means the transportation improvements identified in Exhibit E attached hereto to be completed prior to the Early Opening Operations Commencement Date.
- (oo) "Effective Date" shall have the meaning ascribed to it in the preamble of this Agreement.
- (pp) "Election" means the election on the ballot question as required by Section 15(13) of the Act.
- (qq) "Event of Default" shall have the meaning ascribed to it in Section VIII.A. of this Agreement.
- (rr) "Excise Tax" shall have the meaning ascribed to it in Exhibit K-2 of this Agreement.

- (ss) “Financing” means the act, process or an instance of obtaining specifically designated funds for the Project, whether secured or unsecured, including: (i) issuing securities; (ii) drawing upon any existing or new credit facility; or (iii) contributions to capital by any Person. The Parties acknowledge and agree that this definition does not include capital contributions from any members of the Developer which may have originated from the issuance of securities by the Developer to such members, contributions to the capital of the Developer or any draws upon existing or new credit facilities of such members, so long as such capital contributions, contributions to capital and draws on credit facilities are not secured by liens or encumbrances upon any portion of the Property or the Project.
- (tt) “Finance Affiliate” means any Affiliate involved in Financing all or any portion of the Project.
- (uu) “Finish Work” refers to the finishes which create the internal and external appearance of the Project.
- (vv) “First Class Project Standards” means, at a minimum, a Project that complies with the terms and conditions of all Approvals and Governmental Requirements of the City and the BRA, that demonstrates the creative designs and overall concept excellence and compatibility with its surroundings, as set forth in the Project plans approved by the City and the BRA prior to the Construction Commencement Date, and contains Gaming Areas, hotels and other components and amenities that meet the general standards of quality for construction, maintenance, operations and customer service in no event any lesser quality than the Caesars Palace resort in Las Vegas, Nevada as of the Effective Date.
- (ww) “Force Majeure” shall have the meaning ascribed to it in Article XV of this Agreement.
- (xx) “Full Build-Out Component” means the components of the Project set forth in Exhibit F attached hereto and all other components of the Project not included in Early Opening Component with the exception of the second hotel.
- (yy) “Full Build-Out Operations Commencement” means the completion of the Work for the Full Build-Out Component, as evidenced by the issuance of a certificate of occupancy (final or temporary) for all portions of the Full Build-Out Component, and that all portions of the Project applicable to the Full Build-Out Component, including, without limitation, the Full Build-Out Transportation Improvements, are complete, operational, and open for business to the general public.
- (zz) “Full Build-Out Operations Commencement Date” or “FBOOCD” means the date occurring no later than twenty-four (24) to twenty-six (26) months after the Construction Commencement Date.
- (aaa) “Full Build-Out Transportation Improvements” means the transportation improvements identified in Exhibit E to be completed prior to the Full Build-Out Operations Commencement Date.

- (bbb) “GAAP” means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entities as may be approved by a significant segment of the accounting profession for use in the United States, which are applicable to the circumstances as of the date of determination.
- (ccc) “Gaming” shall have the same definition as in the Act, or any after enacted law which allows for other forms of gaming such as internet based gaming or sports betting; provided, however, that Gaming shall not include pari-mutuel wagering such as is currently authorized at the Property under M.G.L. c. 128A and c. 128C notwithstanding the possibility that those chapters may be amended or reenacted in the future.
- (ddd) “Gaming Accountability Office” shall have the meaning ascribed to it in Section III.F. of this Agreement.
- (eee) “Gaming Area” means the spaces where Gaming occurs.
- (fff) “Gaming Authority” means all agencies, authorities, and instrumentalities of the City, Commonwealth, or the United States, or any subdivision thereof, having jurisdiction over the Gaming or related activities at the Casino, including, without limitation, the Commission or its successor and the Gaming Accountability Office or its successor.
- (ggg) “Governmental Authority” means any federal, state, county or municipal governmental authority, including, without limitation, all executive, legislative, judicial and administrative departments and bodies thereof (including any Gaming Authority) and their successors or assigns having jurisdiction over the Developer and/or the Project.
- (hhh) “Governmental Requirements” means the Act and all laws, ordinances, statutes, regulations, executive orders, rules, policies, zoning requirements, Approvals and agreements of any Governmental Authority that are applicable to the Project.
- (iii) “Gross Revenue” or “Gross Gaming Revenue” shall have the same meaning as given to such term in the Act, but shall also specifically include, to the extent permitted by the Commonwealth at any time in the future, gross revenues attributable to the Developer’s Category 1 License or the Project and received by the Developer or its Affiliates from internet-based gaming, sports betting or any other forms of gaming authorized by laws enacted after the Effective Date; provided, however, that Gaming shall not include pari-mutuel wagering such as is currently authorized at the Property under M.G.L. c. 128A and c. 128C notwithstanding the possibility that those chapters may be amended or reenacted in the future.
- (jjj) “Host Community Agreement” shall have the meaning ascribed to it in the recitals of this Agreement.

- (kkk) “Host Community Agreement Letter of Credit” shall have the meaning ascribed to it in Article IX of this Agreement.
- (lll) “Letter of Credit Standards” shall have the meaning ascribed to it in Article IX of this Agreement.
- (mmm) “Letters of Credit” shall have the meaning ascribed to it in Article IX of this Agreement.
- (nnn) “Limited Preparatory Work” shall mean Work undertaken for the purpose of facilitating the Developer’s efforts to complete construction of the Project at the earliest possible date and thereby limit the Project’s construction impacts on the community that is (a) Work in the nature of construction staging and mobilization, (b) Work undertaken to maintain or improve the existing racing facility (but not grandstand renovations), (c) Work that is solely interior demolition, abatement or other such interior preparatory Work, (d) Work that is demolition of the minor satellite administrative building in the parking lot of the Property, (e) to the extent approved by the City in its sole discretion, Work that is site preparatory work, or (f) any other early Work that precedes groundbreaking, demolition or foundation work at the Property that is otherwise approved by the City in its sole discretion.
- (ooo) “Major Condemnation” means a Condemnation either of (i) the entire Project or (ii) a portion of the Project if, as a result of the Condemnation, the Parties mutually agree that it would be impossible or unfeasible to continue to operate the Project consistent with the First Class Project Standards even after making all reasonable repairs and restorations.
- (ppp) “Material Adverse Effect” means any change, effect, occurrence or circumstances (each, an “Event” and collectively, “Events”) that is outside of the Developer’s reasonable control and, individually or in the aggregate with other Events, is or would reasonably be expected to be materially adverse to the condition (financial or otherwise), business, operations, prospects, properties, assets, cash flows or results of operations of the Project or the Developer, taken as a whole; provided, however, that none of the following should be taken into account in determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur: (i) any Event in the United States or global economy generally, including Events related to world financial or lending markets, or change affecting generally the industry in which the Developer operates; (ii) any changes or proposed changes in GAAP or any applicable law; and (iii) the Developer’s lack of funds, except in the case of clauses (i), (ii) or (iii) to the extent such Event(s) affect the Developer, taken as a whole, in a disproportionate manner as compared to similarly situated companies.
- (qqq) “Material Project Change” means any changes to the Project that would, in the aggregate, substantially adversely increase the overall Community Impacts generated by the Project.
- (rrr) “Mayor” means the Mayor of the City.

- (sss) “Measurement Month” shall have the meaning ascribed to it in Exhibit K-2 of this Agreement.
- (ttt) “Minor Condemnation” means any Condemnation that is not a Major Condemnation.
- (uuu) “Monetary Defaults” shall have the meaning ascribed to it in Exhibit Q of this Agreement.
- (vvv) “Mortgage” means a mortgage or other security instrument on all or any part of the Developer’s interest in the Project.
- (www) “Mortgage Default” shall have the meaning ascribed to it in Exhibit Q of this Agreement.
- (xxx) “Mortgagee” means the holder or holders (including an Authorized Lender) from time to time of a Mortgage.
- (yyy) “Nominee” is defined in Section III.T. of this Agreement.
- (zzz) “Non-Monetary Defaults” shall have the meaning ascribed to it in Exhibit Q of this Agreement.
- (aaaa) “Operational Limitations” means (a) the requirements and limitations on the Developer as set forth in this Agreement, (b) any State Direction, and (c) events of Force Majeure.
- (bbbb) “Operator” shall mean any Person engaged, hired or retained by Sterling Suffolk or its permitted successors and assigns to manage and/or operate the Gaming at the Property, including, without limitation, the Casino, and such permitted successors and assigns of the Operator. As of the execution of this Agreement, the Operator is Caesars Massachusetts Management Company, LLC.
- (cccc) “Parties” means the City and the Developer.
- (dddd) “Person” means an individual, corporation, partnership, limited liability company, association or other entity, a trust, an unincorporated organization, or a governmental unit, subdivision, agency or instrumentality.
- (eeee) “Project” shall have the meaning ascribed to it in the recitals of this Agreement.
- (ffff) “Property” means the land, together with the improvements thereon, located in both the City and in Revere, as more particularly described in Exhibit G attached hereto.
- (gggg) “Restricted Area” means a geographic area encompassed by a circle having a radius of fifty (50) miles with 525 William F. McClellan Highway, East Boston, Massachusetts as its center.

- (hhhh) “Restricted Party” means any Person who owns a Direct or Indirect Interest in the Developer other than any Person (a) whose ownership of Developer arises from ownership of a Direct or Indirect Interest in a publicly-traded company or Caesars Entertainment Corporation, (b) who owns five percent (5%) or less of a Direct or Indirect Interest in the Developer, or (c) who owns five percent (5%) or less of a Direct or Indirect Interest in a casino facility within the Restricted Area.
- (iiii) “Restore” or “Restoration” shall have the meanings ascribed to it in Section XIII.A. of this Agreement.
- (jjjj) “Revere” shall have the meaning ascribed to it in the recitals of this Agreement.
- (kkkk) “RFA-2” shall have the meaning ascribed to it in 205 CMR 110.00.
- (llll) “RFA-2 Response” shall have the meaning ascribed to them in Section X.B.1. of this Agreement.
- (mmmm) “Second Hotel Operations Commencement Date” means the date which is no more than sixty (60) months from the Construction Commencement Date, at which date the second hotel will have been completed and open for operation to the general public.
- (nnnn) “State Direction” means all applicable Governmental Requirements given to the Developer by the Commonwealth, or any agency, authority or commission of the Commonwealth, including, without limitation, any written requirement or direction of such Governmental Requirements given to the Developer.
- (oooo) “Sterling Suffolk” shall have the meaning ascribed to it in the preamble of this Agreement.
- (pppp) “Surrounding Communities” shall have the same meaning as defined in the Act.
- (qqqq) “Term” shall have the meaning ascribed to it in Section II.B. of this Agreement.
- (rrrr) “Transfer” means (i) any direct or indirect sale (including agreements to sell on an installment basis), assignment, transfer, pledge, alienation, hypothecation, merger, consolidation, reorganization, liquidation, receivership, or any other disposition by operation of law or otherwise of a real or intangible property interest or ownership interest in an entity, or (ii) the creation or issuance of new or additional Direct or Indirect Interests in the ownership of any entity. Notwithstanding the foregoing, Transfer shall not include any Transfer of a Direct or Indirect Interest in a publicly-traded company.
- (ssss) “Upfront Community Impact Fee” shall have the meaning ascribed to it in Section IV.B. As noted herein, the Upfront Community Impact Fee shall be made payable to the City in accordance with the terms of the 6A Agreement, to the extent the 121A Approvals are granted.

- (ttt) “Work” means demolition and site preparation work at the Project Site, and construction of the improvements constituting the Project in accordance with the construction documents for the Project, including Finish Work, and includes labor, materials and equipment to be furnished by a contractor or subcontractor.

II. GENERAL PROVISIONS

A. Commission Requirements. This Agreement includes and meets the requirements for a Host Community Agreement under the Act and affirmatively and comprehensively addresses such requirements, including, without limitation, as follows:

This Agreement includes a community impact fee (as more particularly set forth in Article IV of this Agreement) and stipulations and responsibilities between the City, as a host community, and the Developer, including stipulations and mitigation of known impacts from the development and operation of the Project, including, without limitation, the gaming establishment (as defined in the Act) as more particularly set forth in Article III and Article IV of this Agreement, among other locations), all as required by Section 15(8), Section 15(14) and Section 18(14) of the Act.

The Developer will comply with state and local building codes and local ordinances and bylaws, including M.G.L. c. 30, §§ 61-62H as required by Section 15(12) of the Act, all as more particularly set forth in Section III.A., Section III.J., Section III.K., Section III.L., Section III.M., Section III.V., Section III.W., Exhibit C, Exhibit E, Exhibit H, Exhibit I-1, Exhibit I-2, Exhibit I-3 and Exhibit J of this Agreement, among other locations.

The Developer is required to promote local businesses in the City and develop cross-marketing strategies with local restaurants, small businesses, hotels, retail outlets and impacted live entertainment venues as required by Section 18(2) of the Act, as more particularly set forth in Section III.N. of this Agreement.

The Developer is required to construct a Project of high caliber with a variety of quality amenities that operates in partnership with local hotels and dining, retail and entertainment facilities as required by Section 18(5) of the Act, all as more particularly set forth in Section III.A., Section III.C., and Section III.N. and Exhibit H of this Agreement, among other locations.

The Developer and the City will take measures, in addition to those required under the Act, to address problem gaming as required by Section 18(6) of the Act, all as more particularly set forth in Section IV.F.8. and Section IV.J. of this Agreement.

The Project will meet or exceed the sustainable development principles set forth in Section 18(8) of the Act, as more particularly set forth in Section III.C. and Exhibit H of this Agreement.

The Developer will establish, fund and maintain human resource hiring and training practices that promote the development of a skilled and diverse workforce and access to promotion opportunity as set forth in Section 18(9) of the Act, as more particularly set forth in Section III.M. and Exhibit I-1, Exhibit I-2 and Exhibit I-3 of this Agreement.

The Developer will use best efforts to contract with local businesses for the provision of goods and services to the Project as required by Section 18(10) of the Act, as more particularly set forth in Section III.M. of this Agreement.

The Developer will provide a high number of quality jobs at the Project as required by Section 18(12) of the Act, as more particularly set forth in Section III.M. and Exhibit I-1, Exhibit I-2 and Exhibit I-3 of this Agreement.

The Developer will implement a marketing program for the utilization of: (i) minority business enterprises, women business enterprises and veteran business enterprises to participate as contractors in the design of the Project; (ii) minority business enterprises, women business enterprises and veteran business enterprises to participate as contractors in the construction of the Project; and (iii) minority business enterprises, women business enterprises and veteran business enterprises to participate as vendors in the provision of goods and services procured by the gaming establishment and any businesses operated as part of the gaming establishment as required by Section 18(16) of the Act, all as more particularly set forth in Section III.M., Section III.N. and Exhibit I-1 of this Agreement.

The Developer will implement a workforce development plan as required by Section 18(17) of the Act, as more particularly set forth in Section III.M and Exhibit I-1, Exhibit I-2 and Exhibit I-3 of this Agreement.

The Developer will ensure that any Operator shall comply with the Developer's obligations under this Agreement.

B. Term. The term of this Agreement shall commence on the Effective Date and shall continue until the expiration of the initial Category 1 License issued to the Developer by the Commission unless sooner terminated pursuant to the terms herein (the "Term"). The Parties acknowledge and agree that in the event that the Commission elects to renew or extend the Category 1 License beyond the initial fifteen (15) year term, the terms of this Agreement shall not automatically extend through such renewal or extended Category 1 License term. The Parties acknowledge and agree to meet at least twenty-four (24) months prior to the expiration of the Term to negotiate in good faith on a renewal or an extension of the terms of this Agreement. If the Parties are unable to reach agreement on the terms of such renewal or extension prior to the expiration of the Term, then the terms of this Agreement shall continue until such renewal or extension has been entered into by the Parties; provided, however, that during such interim period following the expiration of the Term, the Annual Host Community Agreement Fee due shall be adjusted to reflect any increase in the cost of living based upon the CPI, calculated as the average annual increase over the twelve (12) months prior to the expiration of the Term. CPI adjustments to the monthly payments of the Annual Host Community Agreement Fee shall not

be credited as prior month payments in the calculation of monthly payments in Exhibit K-1 or Exhibit K-2. To the extent the City is found to have acted in bad faith in the negotiation of a renewal or extension of the terms of this Agreement by a final, unappealable decision of a court of competent jurisdiction, the Developer shall be entitled to receive a credit on future payments due to the City equal to the actual amount paid by the Developer to the City as a result of the CPI increase.

III. THE PROJECT

A. Description of Project. The Developer shall promptly apply for, diligently pursue and obtain all Approvals necessary to design, develop, construct and operate the Project, including, without limitation, Approvals under Articles 37, 53 and 80 of the Boston Zoning Code. Until all such Approvals are obtained, the Developer shall provide the City, on the first business day of each calendar month following the execution of this Agreement, a written update on the status of all such Approvals. If any Approvals are denied or unreasonably delayed, the Developer shall provide prompt written notice thereof to the City, together with the Developer's written explanation of the circumstances causing such delay or resulting in such denial and the Developer's plans to cause such delayed or denied Approval to promptly be issued. Upon obtaining such Approvals, the Developer shall promptly commence to develop and construct the Project in material compliance with the Approvals, including, without limitation, approvals from the BRA and diligently prosecute such development and construction to completion before the Early Opening Operations Commencement Date and Full Build-Out Operations Commencement Date, as applicable. So long as Gaming is permitted by law to be conducted at the Project, the primary business to be operated at the Project shall be Gaming. The Developer shall comply with all applicable Governmental Requirements of the City and the BRA. This obligation shall include all Governmental Requirements adopted after the Effective Date which are of general application to all Persons.

As a precondition to the issuance of a building permit for any portion or component of the Project, the Developer shall deliver to the City (i) a copy of the executed construction contract between the Developer and its general contractor for the construction of such portion or component of the Project and (ii) copies of the payment and performance bonds obtained pursuant to the construction contract. The Developer shall ensure that such payment and performance bonds are maintained until, at a minimum, a final certificate of occupancy is issued by the City for such portion or component of the Project. In addition, the Developer shall provide the City with copies of any notices of default sent or received by the Developer under such construction contracts.

The Developer acknowledges and agrees that the primary Gaming Area on the Property shall be within the City at all times. Beginning at the Early Opening Operations Commencement Date, the Developer agrees to maintain and operate a Gaming Area with between 2,500 and 3,500 gaming positions (consisting of an evolving combination of slot machines and table games) on the portion of the Property located within the City. After the Full Build-Out Operations Commencement Date and throughout the remainder of the Term of this Agreement, the Developer agrees to maintain and operate between 150,000 and 250,000 square feet of Gaming Area with between 4,000 and 6,600 gaming positions (consisting of an evolving combination of slot machines and table games) and a World Series of Poker™ room or rooms on

the portion of the Property located within the City at all times. In addition, the Developer agrees that at all times the main entryway to the Project and the so-called “front door” of the Project and the Gaming Areas shall be within the City.

To the extent that future development occurs on the Property that is not included within the Project because such development will cause additional Community Impacts and/or use City infrastructure, including, without limitation, roadways, water, sewer and other utilities, the Parties acknowledge and agree that such development is not permitted to occur until the Parties amend this Agreement to address the impacts of such additional development, wherever located, on the City and its residents, pursuant to the reopener provisions set forth in Section XVI of this Agreement.

B. Performance of Work. The Developer shall ensure that all Work is performed in a good and workmanlike manner and in accordance with all Governmental Requirements and First Class Project Standards. Without limiting the generality of the foregoing sentence, the Developer shall ensure that all materials used in the construction of the Project shall be of first class quality, and the quality of the Finish Work shall meet or exceed First Class Project Standards.

C. Sustainability. The Developer shall construct, operate and maintain the Project utilizing sustainable development principles in accordance with Section 18(8) of the Act, Governmental Requirements, including Governmental Requirements generally applicable to all Persons that are adopted subsequent to the Effective Date, and all requirements imposed by the City permitting agencies in any Approvals.

In addition, the Developer agrees to implement all of the sustainability initiatives for the Project set forth in Exhibit H attached hereto.

D. Duty to Complete. The Developer shall complete the Early Opening Component and achieve Early Opening Operations Commencement not later than the Early Opening Operations Commencement Date and complete the Full Build-Out Component and achieve Full Build-Out Operations Commencement not later than the Full Build-Out Operations Commencement Date. In addition, the Developer shall complete and operate the second hotel on or before the Second Hotel Operations Commencement Date. Upon the occurrence of an event of Force Majeure, the Early Opening Operations Commencement Date, Full Build-Out Operations Commencement Date and/or the Second Hotel Operations Commencement Date shall each be extended on a day-for-day basis but only for so long as the event of Force Majeure is in effect, plus such period of time not to exceed sixty (60) days or such additional time as may be granted by the City in its reasonable discretion, in each case, as the Developer may require under the circumstances to remobilize its design and construction team, including its architect, general contractor, subcontractors and vendors of goods and services.

E. Operations.

1. The Developer agrees to diligently operate and maintain the Project and all other support facilities for the Project owned or Controlled by the Developer in accordance with all Governmental Requirements and First Class Project Standards and in compliance with this Agreement.

2. The Developer covenants that, at all times following the Early Opening Operations Commencement Date, it will, directly or indirectly: (i) continuously operate and keep open the Gaming Areas for the maximum hours permitted under Governmental Requirements and in accordance with City ordinances; (ii) continuously operate and keep open for business to the general public twenty-four (24) hours each day, every day of the calendar year, the parking component and upon their opening (at the Full Build-Out Operations Commencement Date for the first hotel and within sixty (60) months after the Construction Commencement Date for the second hotel) the hotel rooms and related hotel components; and (iii) operate and keep open for business to the general public all components (other than hotel components, parking components and Gaming Areas) in accordance with commercially reasonable hours of operation. Notwithstanding the foregoing, the Developer shall have the right from time to time in the ordinary course of business and without advance notice to City, to close portions of any component of the Project for (x) such reasonable periods of time as may be required for repairs, alterations, maintenance, remodeling, or for any reconstruction, or (y) such periods of time as may be directed by a Governmental Authority; provided, however, no such direction shall relieve the Developer of any liability as a result of such closure to the extent caused by an act or omission of the Developer in contravention of this Agreement.

3. Throughout the Term of this Agreement, the Developer shall employ one or more full-time employees to promote awareness of employment and business opportunities at the Project for City residents and businesses, including, without limitation, the job opportunities and local business, purchasing and economic development initiatives set forth below, as well as to undertake outreach to neighborhood groups in East Boston.

F. Gaming Accountability Office. The City will create the City of Boston Office of Gaming Accountability (the "Gaming Accountability Office"), a City department created by the Mayor to administer this Agreement and work closely with the Commission. The Gaming Accountability Office shall monitor the Developer's compliance with the terms of this Agreement, monitor all Gaming activities at the Property on behalf of the City, and if necessary, shall, with the assistance of the City's Corporation Counsel, notify the Developer of its failure to comply with the terms of this Agreement and pursue enforcement actions against the Developer, if necessary. The Gaming Accountability Office shall monitor, review and respond to input and participation from the community. Moreover, the Gaming Accountability Office shall also assist the City and the Community Impact Trust in the administration and disbursement of funds received by the Community Impact Trust under this Agreement, including, without limitation, the presentation of funding requests on an annual basis to the Community Impact Trust.

G. Construction Impact Working Group. There shall be a special working group (the “Construction Impact Working Group”) to oversee and monitor the direct and indirect impacts of the Project on the City and the unique, particular and disproportionate impacts on the East Boston community during construction to reasonably minimize such impacts and to ensure compliance with all obligations under this Agreement by the Developer. This special working group shall be comprised of (i) representatives, designated by the Mayor, of the Gaming Accountability Office, the BRA, the City’s Department of Transportation, the City’s Assessing Department, the Boston Police Department, the City’s Office of Neighborhood Services, the City’s Department of Environmental and Energy Services, the City’s Department of Neighborhood Development, the Boston Fire Department and the City’s Inspectional Services Department, (ii) the duly-elected City Councilor for District One or his or her designee, (iii) the duly-elected State Representative for First Suffolk District or his or her designee, and (iv) the duly-elected State Senator from the First Suffolk District or his or her designee. The representative from the Gaming Accountability Office shall serve as chairperson of such special working group, call meetings as necessary and establish all procedures to carry-out the duties and responsibilities of this special working group.

H. Property Taxes. The Developer shall pay all real and personal property taxes assessed by the City and due and payable for the portion of the Property within the City on or before the date when due; provided, however, in the event that any taxes are assessed in addition to any obligations under the 121A Approvals, the Developer shall have the right to contest in good faith the assessment of any such taxes. The Developer shall make payments to the City as set forth in the 121A Approvals in the event that the Developer submits and the City and the BRA approves the 121A Approvals, including the 6A Agreement. To the extent that any real or personal property taxes related to the portion of the Property within the City or the Project are assessed by the City in addition to any amounts due under the 121A Approvals, the amount of any Annual Host Community Agreement Fees due from the Developer shall be reduced by the amount of such real and personal property taxes paid.

I. Motor Vehicle Excise Taxes. The Developer shall principally garage all vehicles associated with the Project on the portion of the Property within the City and pay excise taxes to the City consistent with applicable law on all vehicles owned by the Developer and used in connection with the Project on or before the date when due.

J. Approvals Related to Alcoholic Beverages and Entertainment. Approvals related to both alcoholic beverages and entertainment are to be obtained by the Developer from the appropriate governmental bodies, as provided by applicable law. The Developer shall notify the City and provide copies of any written complaints received by the Developer regarding the sale or consumption of alcohol at the Project.

K. Permit Fees. The Developer agrees to pay all the City and the BRA’s permit, license and approval fees (including, without limitation, the Development Impact Project Exaction discussed in Section IV.G. below) for all aspects of the Project, as well as the reasonable, actual costs of all outside consultants retained by the City and the BRA to review the Developer’s applications and assist in the preparation of such permits, licenses and approvals, such costs to be considered Development Process Cost Fees.

L. Transportation Improvements. The Developer shall implement and fund all traffic and public transportation improvements set forth in Exhibit E attached hereto, which include, without limitation, the Early Opening Transportation Improvements and Full Build-Out Transportation Improvements. The Parties acknowledge and agree that the Developer shall spend a minimum of Forty-Five Million Dollars (\$45,000,000.00) on the transportation improvements set forth in Section II of Exhibit E, such costs to be exclusive of land acquisition or right of way costs. As more particularly set forth herein and in Exhibit E, the Early Opening Transportation Improvements must be completed and operational prior to the Early Opening Operations Commencement Date, and the Full Build-Out Transportation Improvements must be completed prior to the Full Build-Out Operations Commencement Date. In addition, the Developer shall comply with all requirements and obligations set forth in the Transportation Access Plan Agreement to be entered into by and between the Developer and the City's Transportation Department pursuant to Article 80 of the Boston Zoning Code.

M. Quality Job Creation/Employment. The Project will result in at least two thousand five hundred (2,500) construction jobs during construction, and at least eight hundred (800) permanent jobs during the year prior to the Early Opening Operations Commencement Date, at least two thousand two hundred twenty-five (2,225) permanent jobs as of Early Opening Operations Commencement Date, and at least four thousand (4,000) permanent jobs as of the Full Build-Out Operations Commencement Date and in every Casino Year thereafter.

The Developer agrees to comply with the job creation and employment commitments listed in Exhibit I-1, as well as with all applicable laws and regulations of Government Authorities regarding construction and permanent employment hiring and job preference requirements, including, without limitation, the Boston Residents Jobs Policy (Chapter 30 of the City Ordinances of 1983, as extended by the Mayor by Executive Order on July 12, 1985, entitled "Extending The Boston Residents Jobs Policy" and adopted as policy by the BRA by vote on July 25, 1985), the requirements of the Boston Employment Commission, established by Chapter 12 of the City's Ordinances of 1986, as amended by Chapter 17 of the City's Ordinances of 1986), as the same may be amended or modified, the Boston Residents Construction Employment Plan attached as Exhibit I-2 and the Boston Residents Employment Agreement attached hereto as Exhibit I-3.

In addition to the above, as more particularly discussed in Section IV.G. below, as part of the BRA Approvals, the Developer will be paying a Development Impact Project Exaction that will be used, in part, to fund job creation in the City.

N. Local Businesses, Purchasing and Economic Development. Following the first anniversary of the Full Build-Out Operations Commencement Date, the Developer agrees to use best efforts to purchase a minimum of Fifty Million Dollars (\$50,000,000.00) in goods and services from vendors and companies located in the City, provided further than in any event the Developer shall purchase no less than Five Million Dollars (\$5,000,000.00) in goods and services from vendors and companies with a principal place of business in East Boston, exclusive of Logan Airport. The Developer shall provide vendor fairs that provide City businesses with information concerning providing goods and services to the Project. The Developer shall ensure that local businesses will have the reasonable opportunity to open satellite businesses within the Project, including, without limitation, using best efforts to contract

with businesses or restaurants based within East Boston to operate within the Project, with a goal of at least five (5) such businesses or restaurants. Moreover, the Developer shall ensure that City businesses will be able to benefit from partnership programs that incentivize employees and patrons of the Project to utilize City businesses, including through the Operator's rewards program. The Developer shall also use best efforts to purchase and display art created by City residents. The Developer's obligations under this section shall be subject to the availability of goods and services reaching the First Class Project Standard and the availability of local and regional vendors satisfying the licensing and suitability requirements of the Gaming Authorities.

In addition, the Developer will create and implement a marketing program for the utilization of minority business enterprises, women business enterprises and veteran business enterprises to participate as vendors in the provision of goods and services procured by the Developer and any businesses operated as part of the Project.

The Developer will provide the City with (i) its economic development plan, which outlines how the Developer will collaborate, promote and cross-market with the Mayor's Office of Arts, Tourism and Special Events as well as the Massachusetts Cultural Council, Massachusetts Office of Travel and Tourism, Massachusetts Tourism Fund and related industries as well as collaborate, promote and cross-market with restaurants, small businesses, hotels, retail outlets and impacted live entertainment venues in the City (as required by Section 18(2) of the Act), and (ii) its marketing plans (both domestically and internationally) to draw new and existing out-of-state and international customers of the Operator to the Project, the City and the region.

O. Police. Pursuant to the requirements of Section 6(f) of the Act, the City's Police Department, as the law enforcement agency of the host community, shall enter into a memorandum of agreement with the department of state police which shall include, but not be limited to, procedures involving: (i) assignment of police officers of the host community to the gaming enforcement unit of the state police; (ii) first responder calls from the gaming establishment; (iii) emergencies occurring within the gaming establishment, including the gaming area; and (iv) criminal investigations involving employees or patrons of a gaming establishment. It is the intent of the Parties that, with the exception of criminal activity relating to the operation of a gaming establishment or relating to games or gaming that occur inside a gaming establishment (as discussed in Section 6(f) of the Act), the Boston Police Department shall continue to have the same primary jurisdiction it currently has over the portion of the Property within the City, including being the first responder to all calls from the portion of the Property within the City, handling all emergencies occurring within the portion of the Property in the City, including the Gaming Area, and handling all criminal investigations involving employees or patrons at any portion of the Property within the City. In addition, the Developer shall provide the City's Police Department with any video and technical assistance (including, without limitation, any video enhancement capability the Developer may have) and shall work with the City's Police Department during construction of the Project to place cameras in locations at the Property that the City's Police Department deems necessary to preserve and protect public safety.

P. Public Safety. The Developer acknowledges and agrees that so long as the Project is operational, in an effort to reduce the impact of the Project on the public safety services of the City and the City's Public Health Commission, (i) the Developer shall develop and implement a plan to provide on-site security, fire and life safety, and on-site emergency medical technicians as well as develop and implement an emergency management plan and an emergency response plan (as required by Section 25(j) of the Act), all as acceptable to the City's Police Commissioner, Fire Commissioner, Chief of the Emergency Medical Services Department, Director of the Office of Emergency Management, and the Executive Director of the Public Health Commission, or their designees, and (ii) all on-site security, fire and life safety, emergency medical technicians, ambulance services and emergency management services shall work closely with the corresponding City department, agency or office.

Q. Horse Racing. As required by Section 24 of the Act, the Developer, as the holder of a live racing license under M.G.L. c. 128A, shall maintain the existing racing facility on the Property, subject to the permitted increases in the number of live racing days. The Developer acknowledges and agrees that the Developer will seek the approval of the City, prior to seeking any reduction in the number of live racing days from the Commission.

R. Purchase of Slot Machines. Subject to the Developer's obligation to maintain the First Class Project Standard and to the extent required by Section 18(15) of the Act or the Commission, the Developer agrees to purchase, whenever possible, domestically manufactured slot machines for installation in the Casino.

S. State Lottery. The Developer agrees to comply with all provisions of Section 15(1) of the Act and any rules and regulations of the Commission pertaining thereto.

T. Financing. The Developer shall only be permitted to obtain Financing from an Authorized Lender. If any Direct or Indirect Interest of the Developer shall be transferred by reason of any foreclosure, deed in lieu of foreclosure or any other proceeding for enforcement of the Mortgage or any other financing document, the provisions of this Agreement shall be binding on the Mortgagee, any Nominee of the Mortgagee or any third party who acquires the Property at a foreclosure sale, and the Mortgagee, any Nominee of the Mortgagee or any subsequent third party who acquires the Property at a foreclosure sale or by a transfer in lieu thereof shall automatically agree to assume the obligations of Developer hereunder except as provided for in this Section and in Exhibit Q. As used in this Agreement, "Nominee" shall mean a Person who is designated by a Mortgagee to act in place of the Mortgagee solely for the purpose of holding title to the Project and performing the obligations of the Developer hereunder. Notwithstanding the foregoing, the City shall not have the right to terminate this Agreement as a result of a Mortgagee failing to assume the obligations of the Developer hereunder unless Mortgagee or its Nominee fails to do so within three (3) months following the Mortgagee's acquisition of the Project, it being acknowledged that Mortgagee may intend to transfer its interest in the Project to a Nominee and such Nominee shall assume the obligations of the Developer hereunder.

In no event may the Developer or any Finance Affiliate represent that the City is or in any way may be liable for the obligations of the Developer or any Finance Affiliate in connection with (i) any financing agreement or (ii) any private offering of securities. The Developer agrees to indemnify, defend and hold the City and its respective officers, directors,

agents and employees free and harmless from any and all liabilities, costs, damages, claims or expenses arising out of or related to the breach of its obligations under this Section III.T.

After the Developer has notified the City of the existence of any Financing (together with Mortgagee's address and a contact party) pursuant to Exhibit Q, then the City, upon serving the Developer with any notice of default or any other notice under the provisions of or with respect to the Agreement, at the same time shall send to the Mortgagee a duplicate copy of such notice at the address designated by such Mortgagee or the Developer pursuant to Exhibit Q by certified or registered mail, postage and registration charges prepaid, by overnight delivery service with receipt, by hand delivery, or by email with an original to follow by any of the other permitted delivery methods set forth herein. No such notice of default to the Developer shall be effective unless such duplicate copy has been sent to the Mortgagee. Any Mortgagee shall have the right to cure any default by the Developer under this Agreement within the time period prescribed by Exhibit Q to effectuate any such cure, and the City agrees to accept any performance by the Mortgagee of any obligation of the Developer under this Agreement as if the same had been performed by the Developer.

Notwithstanding anything contained herein to the contrary, in connection with any Financing, the provisions of Exhibit Q attached hereto and incorporated herein by reference shall apply.

U. Radius Restriction. Neither Developer nor any Restricted Party shall directly or indirectly: (i) manage, operate or own any equity or debt interest in any casino facility within the Restricted Area other than the Project, or (ii) make application for any franchise, permit or license to manage or operate any casino facility within the Restricted Area other than the Project. This restriction shall expire on the fifteenth (15th) anniversary of the issuance of the Category 1 License to the Developer by the Commission (unless extended by the Parties pursuant to a renewal or extension of this Agreement as more particularly set forth in Section II.B. of this Agreement). The provisions of this Section shall survive any early termination of this Agreement, subject to Section XVII.S. of this Agreement.

V. Smoke Free Environment. The Developer shall ensure compliance by itself, its Authorized Representatives and its customers and invitees with the provisions of the Act, the Boston Public Health Commission policies and City Board of Health's Clean Air Works Workplace Smoking and E-Cigarette Use Regulations and M.G.L. c. 270, § 22, as the same may be supplemented and amended, which require the Project, including the Gaming Areas, to be smoke-free environments. In no event shall smoking be allowed in the Casino during the Term of this Agreement.

W. Construction Management Plan. The Developer shall develop and implement a construction management plan which details the construction schedule for the Early Opening Component and Full Build-Out Component of the Project, provides for continuous pedestrian and vehicular access to and through the Property throughout construction, establishes traffic management and parking policies during construction, prohibits construction vehicles from using local residential roads, and provides a hotline for residents to call with construction complaints. The Developer shall promptly notify the Gaming Accountability Office of all complaints received. This hotline shall be staffed appropriately to ensure that a caller is able to speak to a

person in addition to leaving a message. A draft Construction Management Plan is attached hereto as Exhibit J. A final plan must be approved by the City before construction commences. The Developer shall post a copy of the Construction Management Plan on its Project website and send a copy of the Construction Management Plan to the East Boston Branch of the Boston Public Library.

X. Increases in Car Insurance Rates. The Developer, in coordination with the Gaming Accountability Office, shall use best efforts to work with the Commonwealth's Division of Insurance to monitor, reduce or eliminate increases to car insurance rates within East Boston that are proposed as a result of this Project, including, without limitation, a safe driver educational program for all employees and the promotion of safe, unimpaired driving for all guests and patrons.

Y. Vehicles for Hire. Due to increase in use of and demand for taxi cabs and other vehicles for hire to serve the Project, the Developer shall work with the City to facilitate and mitigate the use and impact of such vehicles on the East Boston community. The City will monitor and enforce rules, regulations and operation of such vehicles.

Z. Guaranteed Ride Home Program. The Developer shall establish a guaranteed ride home program funded and implemented by the Developer to provide safe rides home for patrons whose driving may be impaired. The Guaranteed Ride Home Program shall include advertising and informing patrons of the existence of the program and training of employees at the Project with respect to the program. In addition, the Developer shall implement a guaranteed ride home program for all employees as part of the Developer's Transportation Demand Management program to promote travel by alternative modes.

AA. Operational Limitations. Notwithstanding anything to the contrary in this Agreement, the Developer's obligations under this Article III shall be subject to and consistent with the Operational Limitations.

IV. MITIGATION COMMITMENTS

A. Acknowledgment of Community Impacts. The Developer recognizes and acknowledges that the construction and operation of the Project will cause Community Impacts on the City, and in particular, the East Boston community which will face a disproportionately greater impact by the Project than any other part of the City. Further, the Developer recognizes and acknowledges that the Project will require that the City, the City's Public Health Commission and other governmental units of the City provide initial and continuing mitigation of such Community Impacts so that City residents, including the additional temporary and permanent workforce and the increased number of expected visitors and increased tourism to the City related to the Project, will receive substantially the same health, safety, welfare and educational services as currently are provided to City residents and visitors. In order to mitigate the Community Impacts, the Developer agrees to provide an Upfront Community Impact Fee (described below in Section IV.B.) and an Annual Host Community Agreement Fee (described below in Section IV.C.). If the 121A Approvals are granted, in addition to the payment of the Upfront Community Impact Fee and Annual Host Community Agreement Fee, the 6A Agreement shall also include provisions for the payment of the Excise Tax.

B. Upfront Community Impact Fee. After the Commission's awarding of a Category 1 License to the Developer, the Developer agrees to pay the City Thirty Three Million Four Hundred Thousand Dollars (\$33,400,000.00) (the "Upfront Community Impact Fee") payable in accordance with the provisions of the 6A Agreement if the 121A Approvals are granted. The Upfront Community Impact Fee shall be paid to the City in four equal installments of Eight Million Three Hundred Fifty Thousand Dollars (\$8,350,000.00). The first installment shall be paid within thirty-five (35) days after the issuance to the Developer by the Commission of a Category 1 License. The second installment shall be paid on or before the Construction Commencement Date. The third installment shall be paid on or before the one (1) year anniversary of the payment of the second installment, and the fourth and final installment shall be paid on or before the two (2) year anniversary of the payment of the second installment. The Parties acknowledge and agree that notwithstanding anything to the contrary, the entire Upfront Community Impact Fee shall be paid prior to the Full Build-Out Operations Commencement Date and the Developer shall not be entitled to receive a certificate of occupancy from the City's Inspectional Service Department for any portion of the Full Build-Out Component of the Project unless and until the Upfront Community Impact Fee has been paid in full.

C. Annual Host Community Agreement Fee. During each year of the Term, the Developer shall pay an annual fee to the City (the "Annual Host Community Agreement Fee"). If the 121A Approvals are granted, the Annual Host Community Agreement Fee shall be payable in accordance with the 6A Agreement. The Annual Host Community Agreement Fee shall be in an amount as more particularly set forth in Exhibit K-1 attached hereto. As more particularly set forth in Exhibit K-1 and, if applicable, the 6A Agreement, the Annual Host Community Agreement Fee includes a base fee (the "Base Annual Host Community Agreement Fee") and, in certain instances, a percentage of Gross Gaming Revenues (the "Additional Annual Host Community Agreement Fee"). Such payments shall be made monthly. The method of making such payments of the Annual Host Community Agreement Fee by the Developer to the City is set forth in Exhibit K-2 attached hereto.

D. Payment of Upfront Community Impact Fee and Annual Host Community Agreement Fee. The payments by the Developer to the City of the Upfront Community Impact Fee and Annual Host Community Agreement Fee shall be paid by certified check or secure electronic funds transfer to the City.

Upon receipt of each payment of the Upfront Community Impact Fee, the entire payment shall be transferred by the City to either (a) a City-controlled bank account to be administered by the City of Boston Community Impact Trust, or (b) a special fund or such other appropriate vehicle to be established by the City in its sole discretion (collectively, the "Community Impact Trust"). The Community Impact Trust shall be administered by three Trustees. The Trustees shall be the Collector/Treasurer for the City, the Supervisor of Budgets for the City and the City Auditor for the City. The Director of the Gaming Accountability Office or his or her designee shall be an ex officio non-voting Trustee of the Trust. The Trustees shall administer the Community Impact Trust, including, but not limited to, the disbursement of funds placed in the Community Impact Trust to mitigate the Community Impacts from the Project, as further discussed below.

In the event the 121A Approvals are granted, upon receipt of an Annual Host Community Agreement Fee payment, the funds received by the City shall be transferred by the City in accordance with the 6A Agreement as follows:

1. The City shall transfer to the Community Impact Trust an amount equal to the amount set forth in Exhibit K-1 attached hereto in the column labeled "Amount to Be Transferred therefrom to Community Impact Trust Each Year."

2. The balance of the Annual Host Community Agreement Fee received by the City shall be transferred to the general fund of the City to be used by the City in accordance with the City's appropriation process.

E. Use of Upfront Community Impact Fee by the Community Impact Trust. In order to mitigate the unique, particular and unduly burdensome Community Impacts to the East Boston community during the construction period of the Project and thereafter, the Community Impact Trust will use the Upfront Community Impact Fee for the following purposes:

1. Improvements to the Mario Umana Middle School Academy located at 312 Border Street, East Boston, Massachusetts to modernize facilities and to account for potential increases in school age population.

2. East Boston Neighborhood Business Program (NBP) for support and enhancement of businesses in the East Boston community, including, without limitation, economic support for local neighborhood businesses, neighborhood beautification of East Boston, increased marketing and promotion of local businesses, and to provide other assistance to such businesses.

3. Construction of a new combined youth and senior citizens center in the East Boston community, with input from the Boston Centers for Youth and Families, the City's Commission on Affairs of the Elderly, the City's Parks and Recreation Department and the community.

4. Improvements to Noyes Park located on Boardman Street in East Boston through a public process with the City's Parks and Recreation Department.

5. Improvements to LoPresti Park located at 33 Summer Street in East Boston designed through a public process by the City's Parks and Recreation Department.

These funds will be used exclusively to mitigate Community Impacts to the East Boston community during the construction period of the Project.

F. Use of Portion of Annual Host Community Agreement Fee by the Community Impact Trust. The Parties intend that over the Term of this Agreement, funds will be disbursed by the Trustees for some or all of the following purposes to account for expected and unexpected impacts from the Project:

1. Public Safety, which funds may be used by the various public safety agencies in the following manner:

a) Boston Police Department: Funding of increased costs of routing 911 calls, costs in coordinating any efforts with the Massachusetts State Police under the memorandum of agreement referenced in Section III.O., and increased resources, costs, equipment and programs, including, without limitation, police personnel necessary due to the nature of the Project (patrol, detectives, K9 unit, narcotics, explosive ordnance unit, hazardous materials response unit, traffic), vehicles, additional cells, mobile computing devices, radios, other communications equipment and specialized officer training, which will, among other things, improve the health and safety of City residents and protect businesses and residences within the City.

b) Emergency Medical Services: Funding for the City's Public Health Commission to provide for emergency medical services and equipment, including, without limitation, full and part-time paramedics, life support equipment, radios and communications equipment, and, within East Boston, (i) the construction of a new advanced life support ambulance bay, (ii) the purchase of a new advanced life support ambulance to serve East Boston and the replacement of such ambulance as needed, and (iii) the staffing and maintenance of the ambulance bay and ambulance, all of which will, among other things, improve the health and safety of City residents and protect businesses and residences within the City.

c) Boston Fire Department: Funding of additional fire personnel and additional fire vehicles and equipment to increase both fire protection and fire inspections in the City, which will, among other things, improve the health and safety of City residents and protect businesses and residences within the City.

2. Vehicles for Hire: Due to an anticipated increase in the use of taxi cabs and vehicles for hire for the Project and the Project's 24-hour a day operation, increases in staffing may be necessary to both the uniformed and administrative personnel in the regulation of vehicles for hire by the City.

3. Small and Local Business Assistance: Funding of (a) the ongoing costs of the East Boston Neighborhood Business Program for support and enhancement of businesses in the East Boston community, including, without limitation, economic support for local neighborhood businesses, neighborhood beautification of East Boston, increased marketing and promotion of local businesses, and to provide other assistance to such businesses, and (b) the City's Department of Neighborhood Development, Office of Business Development to support existing funding programs for small and local businesses and to provide entrepreneurs and existing businesses in the City with access

to financial and technical resources, both of which will, among other things, protect and grow businesses within the City.

4. Education: In addition to those funded by the Developer, funding of (a) hospitality, entertainment and other job training programs in the public and vocational schools, particularly in partnerships with community colleges, (b) monitoring the Developer's obligations for education and job-training at vocational schools, (c) after-school programs, (d) compulsive gaming awareness programs in the public schools, and (e) capital improvements and operating costs of public schools in the district due to the potential increase in school-age population as a result of the Project.

5. Community Programs: Funding for programming, services, personnel, facilities, maintenance and equipment for the new combined youth and senior citizens center being constructed in the East Boston community and the Boston Centers for Youth and Family Paris Street Community Center and Pool, as well as funding for reduced or tuition-free programs for low-income residents at these facilities and funding for English as a second language programs, which will, among other things, respond to the needs of children and elderly in the community due to increases in population expected from the Project.

6. Transportation Department: Funding of a wayfinding signage program, targeted parking enforcement and towing with increased parking enforcement officers, vehicles and equipment, installation and maintenance of pavement markings, additional staff people in the traffic management center, interconnections of signals and cameras to the traffic management center, retiming of certain traffic signals on a rotating basis, annual traffic signal and control box upgrades, increased traffic maintenance staff, expansion of the bike share program, expansion of the bike network through dedicated or shared bike lanes, rideshare program and electric vehicle charging stations in the City, and expansion of water transportation service programs connecting key transportation hubs along the City's waterways, all to address increased costs to the City's Transportation Department as a result of the Project.

7. Parks, Neighborhood Beautification, Improvements and Maintenance: Funding for (a) the ongoing maintenance of improvements at City parks in East Boston, including Noyes and LoPresti Park, (b) the following within the East Boston community: year-round street sweeping, hand sweeping, planters and plantings, new trash and recycling receptacles, increased Department of Public Works and Inspection Services Department inspections of buildings, snow removal, anti-littering programs and the City's green ticketing program, (c) operational needs of the East Boston Neighborhood Business Program, (d) trees in City parks, streets and open spaces, (e) the interconnection of public green spaces throughout the City, all to address increased tourism and vehicular, bicycle and pedestrian use in Boston and in particular, East Boston.

8. Public Health Commission: Funding to supplement, as necessary, existing Commonwealth and City Board of Health and City Public Health Commission programs for (a) preventive programs for children, adolescents and young adults, including, without limitation, curriculum for health education, gaming addiction and prevention, and an

outreach program to parents to inform them of the risks of youth gambling, (b) problem gaming prevention strategies for college students that parallel other programs used to address substance abuse, (c) compulsive and problem gaming awareness, prevention and treatment efforts, (d) community awareness of problem gaming through signs, brochures, posters, websites and other advertising, (e) anti-smoking education, awareness and enforcement, and (f) programs addressing other addictive behavior, drug treatment, alcohol treatment and mental health services.

9. Environmental Impacts: Funding for the City's Environment Department, City's Environment and Energy Services Cabinet, Inspectional Services Department or any successor department (a) to monitor the Developer's compliance with Governmental Requirements and the sustainability and green environmental practices set forth in this Agreement, including the addition of personnel, if necessary, and (b) for personnel and equipment to enforce building, health, sanitation, code enforcement, trash and recycling storage and pick up and rodent control.

10. Boston Housing Authority: Funding of up to Twenty Million Dollars (\$20,000,000.00) over the Term of this Agreement for the revitalization of Boston Housing Authority's Orient Heights housing development that abuts the Property.

11. Mayor's Office of Arts, Tourism and Special Events: Funding to foster the growth of the cultural community, promote public participation in the arts and public celebrations, especially in East Boston, and advance cultural tourism in the City, due to increased tourism and special events expected as a result of the Project.

Notwithstanding the foregoing, not less than fifty percent (50%) of the amount contributed to the Community Impact Trust over the Term of this Agreement shall be dedicated and used to fund the mitigation of Community Impacts in the East Boston community.

G. Development Impact Project Exaction. In addition to the Upfront Community Impact Fee and the Annual Host Community Agreement Fee, the Project will also require that the Developer pay a Development Impact Project Exaction, as such term is defined in Article 80B-7 of the City's Zoning Code, as part of the Developer's Approvals from the BRA under Article 80B of the City's Zoning Code, which exaction will provide funds to the Neighborhood Housing Trust to fund affordable housing and the Neighborhood Jobs Trust to fund job creation within the City. Based upon information provided by the Developer, the Developer anticipates that the aggregate Development Impact Project Exaction to be paid by the Developer will be in excess of Eight Million Dollars (\$8,000,000.00).

H. Horse Racing Related Revenues. Nothing in this Agreement shall limit, impact or waive the City's right to receive the local share of racing taxes currently collected by the Commonwealth pursuant to M.G.L. c. 58, § 18D, as the same may be amended.

I. Utilities. The Developer recognizes that the Project may require upgrades to certain portions of the City or third party utility companies' infrastructure and, accordingly, the Developer agrees as follows:

1. Electricity. The Developer shall, at no expense to the City, cause to be provided any upgrades or cause to be constructed any new electrical facilities required to provide the necessary electric power service to the Project.

2. Natural Gas. The Developer shall, at no expense to the City, cause to be provided any upgrades or cause to be constructed any new gas transmission facilities required to provide the necessary natural gas service to the Project.

3. Water and Wastewater. The Developer shall pay all customary connection fees, inflow and infiltration charges, monthly service charges, monthly usage fees and permit fees to the Boston Water and Sewer Commission and shall construct, improve or modify, or pay all actual costs incurred by the City and/or the Boston Water and Sewer Commission to construct, improve or modify, water and wastewater infrastructure necessary to service the Project. The Developer shall be responsible for the actual costs to maintain and repair any water or wastewater infrastructure that solely serves the Project. In addition, the Developer shall be required to abide by the terms and conditions of any Approvals from the Boston Water and Sewer Commission or other agreements entered into between the Developer and the Boston Water and Sewer Commission, including the payment of any additional customary fees required under such Approvals or other agreements.

J. Compulsive Gambling Resources. The Developer will implement a responsible gaming plan at the Property to make sure that those people who cannot game responsibly get the help they need and to make sure that people who can game responsibly understand the importance of gaming responsibly. The Developer shall mitigate the potential negative public health consequences associated with the Project and the operation of the Casino.

The Developer will accomplish the responsible gaming goals for the Project by, among other things: (i) complying in every respect with all responsible gaming provisions in the Act and all responsible gaming provisions subsequently adopted by the Commission or adopted by the City or its departments or agencies, including the City's Board of Health, City's Public Health Commission and the Gaming Accountability Office; (ii) ensuring that all patrons in the Gaming Areas are twenty-one (21) years of age or over, as required by Section 25(h) of the Act; (iii) educating its employees through formal training programs about the importance of responsible gaming and underage gambling and the policies and procedures of Developer's responsible gaming programs; (iv) providing information to patrons about the odds of games, signs and symptoms of compulsive gaming and how to make responsible gaming decisions; (v) promoting responsible gaming in daily operations; and (vi) supporting public awareness of responsible gaming, including, at a minimum, working with the National Council on Problem Gambling, Inc., its local councils and other service agencies in and around the City and region on a continuing basis to promote a better understanding of responsible gaming and underage gambling and supporting research on responsible gaming and underage gambling issues through on-going financial contributions.

The Developer shall implement a “self-restriction” program that allows anyone to request not to receive direct marketing by the Developer’s owned, managed, or operated properties, as well as to be denied credit and check cashing privileges at the Casino. Forms to request self-restriction or self-exclusion shall be readily available to all customers and individuals who visit the Property.

The Developer will join and actively participate in the Massachusetts Partnership for Responsible Gaming and actively work with the City’s Public Health Commission and the City’s Board of Health for the express purpose of assisting the City to address issues of treatment for compulsive behavior, especially problem gaming in the City. Developer’s obligations under this Section IV.J shall not be inconsistent with any State Direction.

K. Payment of the Development Process Cost Fees and Development Dispute Cost Fees. The Developer shall reimburse the City for all due and unpaid Development Process Cost Fees and Development Dispute Cost Fees upon receipt of an invoice from the City. The invoice for the initial Development Process Cost Fees or Development Dispute Cost Fees shall be issued by the City approximately thirty (30) to sixty (60) days after the Effective Date. For subsequent Development Process Cost Fees and Development Dispute Cost Fees, the City shall invoice the Developer from time to time, but not more frequently than monthly, for such fees incurred since the prior invoice. The Developer shall pay such invoiced fees within thirty (30) days from the date of the invoice in accordance with the instructions provided in the invoice. The invoice provided by the City shall include a summary of the charges and such reasonable detail as the City believes is necessary and as may reasonably be requested by the Developer to inform the Developer of the nature of the costs and expenses, subject to any applicable privilege and confidentiality restrictions. As more particularly set forth in Section XVII.S., the Developer’s obligation to pay the Development Process Cost Fees and Development Dispute Cost Fees incurred by the City prior to the termination of this Agreement shall survive termination of the Agreement.

V. OBLIGATIONS OF THE CITY

In consideration of the mitigation measures to be undertaken by or paid for by the Developer for the impacts to the City and, in particular on the East Boston community, and in further recognition of the benefits the Project will bring to East Boston and the City as a whole, the City and the BRA, as applicable, shall do the following:

A. The BRA and/or the Developer will prepare and submit to the City’s Zoning Commission changes to the Boston Zoning Code to permit the Developer’s proposed Gaming use at the Property.

B. The City and the BRA will accept and process applications for Approvals submitted by the Developer for the Project, including, without limitation, zoning and land use approvals and the 121A Approvals.

C. The City will establish the Community Impact Trust or another appropriate vehicle at its discretion to hold and administer the Upfront Community Impact Fee and a portion of the Annual Host Community Agreement Fee.

D. Upon execution of this Agreement, the City will make the signed Agreement public with a concise summary, approved by the City's Corporation Counsel, in a periodical of general circulation and on the official website of the City not later than seven (7) days after execution until the Election has been certified, all as required by Section 15(13) of the Act.

E. The City will certify the results of the Election as required by Section 15(13) of the Act.

VI. RIGHT OF ACCESS

Subject to any restrictions imposed upon the Developer by State Direction, the Developer hereby grants the City and the City's Authorized Representatives, including, without limitation, the Gaming Accountability Office, the right to enter upon the Property at all reasonable times for the purpose of enforcing the provisions of this Agreement, for inspecting the Project, and for reconstructing, maintaining, repairing, or servicing any facility or element located on the Property which may be owned by the City or its Authorized Representatives. In each instance of entry, the City or its Authorized Representatives shall use diligent efforts to minimize the disruption to the Developer's operations.

VII. TRANSFERS AND ASSIGNMENT

Except with respect to Financings undertaken pursuant to the terms of this Agreement, the Developer hereby covenants and agrees with the City that it will not voluntarily Transfer its Direct or Indirect Interest in the Project without the express consent and approval of the City and the BRA, if the 121A Approvals are granted. However, in no event shall the foregoing covenant and agreement be applicable to Transfers of a Direct or Indirect Interest in the Project to an Affiliate. All Transfers to Affiliates shall be effective upon the filing of written notice of such transfer or assignment with the City (such notice to include a disclosure of those having beneficial interests in the Affiliate). The written consent of the City and the BRA to the extent the 121A Approvals are granted, whenever required by the terms of this Section, shall be granted, withheld or conditioned in the City and the BRA's sole discretion. To assist the City and the BRA in its review of a proposed Transfer that requires the City and the BRA's consent, the Developer shall provide the City and the BRA with written evidence of the proposed transferee or assignee's qualifications to own and/or operate the Project, evidence of the transferee or assignee's financial status, and such other information as may be requested by the City or the BRA. Any transferee, assignee or any Person succeeding to the rights, obligations and interest of the Developer in the Project by operation of law, or insolvency or otherwise shall, at the option of the City, be deemed to have agreed to be bound by the terms, covenants and conditions of this Agreement.

VIII. DEFAULT

A. Events of Default. Subject to the Operational Limitations and all Governmental Requirements, the occurrence of any of the following shall constitute an "Event of Default" under this Agreement:

1. If the Developer fails to make any payments of the Upfront Community Impact Fee or Annual Host Community Agreement Fee required to be made by the Developer hereunder as and when due;

2. If the Developer fails to make any payments other than the Upfront Community Impact Fee or Annual Host Community Agreement Fee required to be made by the Developer hereunder and such failure continues for five (5) business days after the Developer's receipt of a written notice of default with respect thereto from the City;

3. If the Developer shall make a general assignment for the benefit of creditors or shall admit in writing its inability to pay its debts as they become due;

4. If the Developer shall file a voluntary petition under any title of the United States Bankruptcy Code, as amended from time to time, or if such petition is filed against the Developer and an order for relief is entered, or if the Developer shall file any petition or answer seeking, consenting to or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or any future federal bankruptcy code or any other present or future applicable federal, state or similar statute or law, or shall seek or consent to or acquiesce to or suffer the appointment of any trustee, receiver, custodian, assignee, liquidator or similar official of the Developer, or of all or any substantial part of its properties or of the Project or any interest therein of the Developer;

5. If within ninety (90) days after the commencement of any proceeding against the Developer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy code or any other present or future applicable federal, state or similar statute or law, such proceeding shall not have been dismissed; or if within ninety (90) days after the appointment, without the consent or acquiescence of the Developer of any trustee, receiver, custodian, assignee, liquidator or other similar official of the Developer or of all or any substantial part of its properties or of the Project or any interest therein of the Developer, such appointment shall have not been vacated or stayed on appeal or otherwise, or if within ninety (90) days after the expiration of any such stay, such appointment shall not have been vacated;

6. If the Developer fails to maintain in full force and effect the Letters of Credit;

7. If the Developer fails to Restore the Property pursuant to the terms of Article XIII;

8. If any representation or warranty made by the Developer hereunder shall prove to have been false or misleading in any material respect as of the time made or furnished; provided, however, that if the condition causing the representation or warranty to be false is susceptible of being cured, the same shall be an Event of Default hereunder only if such condition is not cured within thirty (30) days after written notice to the Developer from the City, and, provided further, that if the condition causing the

representation or warranty to be false is susceptible of cure but cannot reasonably be cured within such thirty (30) day period and the Developer shall have commenced to cure such condition within such thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, such thirty (30) day period shall be extended for such time as is reasonably necessary (not to exceed sixty (60) days after the Developer's receipt of the above-described notice from the City) for the Developer in the exercise of due diligence to cure such condition;

9. If the Developer breaches a Covenant set forth in Article X below, and such breach is not cured within thirty (30) days after written notice to the Developer from the City, or, if such breach cannot reasonably be cured within such thirty (30) day period and the Developer shall have commenced to cure such breach within such thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, such thirty (30) day period shall be extended for such time as is reasonably necessary (not to exceed sixty (60) days after the Developer's receipt of the above-described notice from the City) for the Developer in the exercise of due diligence to cure such breach;

10. If the Developer transfers or assigns this Agreement, except in accordance with the provisions of Article VII above;

11. If a default shall occur, which has not been cured within any applicable cure period otherwise expressly provided elsewhere in this Agreement;

12. If the Developer fails to maintain in full force and effect policies of insurance meeting the requirements of Article XII below and in such event the Developer fails to remedy such default within five (5) business days after the Developer's receipt of written notice of default with respect thereto from City;

13. If the Developer fails to complete the Early Opening Component and the Early Opening Transportation Improvements by the date that is thirty (30) days after the Early Opening Operations Commencement Date and/or fails to achieve Early Opening Operations Commencement by the date that is thirty (30) days after the Early Opening Operations Commencement Date;

14. If the Developer fails to complete the Full Build-Out Component and the Full Build-Out Transportation Improvements by the date that is thirty (30) days after the Full Build-Out Opening Operations Commencement Date and/or fails to achieve Full Build-Out Operations Commencement by the date that is thirty (30) days after the Full Build-Out Operations Commencement Date;

15. If the Developer fails to complete and operate or have completed or operated on its behalf, a second hotel on the portion of the Property on or before the Second Hotel Operations Commencement Date;

16. If the construction of the Project (inclusive of offsite activities) at any time is discontinued or suspended for a period of thirty (30) consecutive calendar days, subject to Force Majeure, and is not restarted prior to the Developer's receipt of written notice of default hereunder; and

17. If the Developer shall default in the performance of any (a) Governmental Requirement; or (b) commitment, agreement, term or condition of this Agreement, and in such event if the Developer shall fail to remedy any such default within sixty (60) days after receipt of written notice of default with respect thereto; provided, however, that if any such default is reasonably susceptible of being cured within ninety (90) days, but cannot with due diligence be cured by the Developer within thirty (60) days, and if the Developer commences to cure the default within sixty (60) days and diligently prosecutes the cure to completion, then the Developer shall not during such period of diligently curing be in default hereunder as long as such default is completely cured within ninety (90) days of the first notice of such default to the Developer.

B. Remedies. Upon an Event of Default, subject to the limitations if Section VIII.C., the City shall have the right if it so elects (subject to the Dispute resolution provisions in Section XVII.K. hereof, if applicable) to (i) exercise any and all remedies available at law or in equity, provided that any monetary damages resulting therefrom shall solely be the responsibility of Sterling Suffolk and its successors and assigns, (ii) receive liquidated damages as set forth in Section VIII.D. hereof, (iii) draw on the Letters of Credit, and/or (iv) institute and prosecute proceedings to enforce in whole or in part specific performance of this Agreement by the Developer, to enjoin or restrain the Developer from commencing or continuing said breach, and/or to cause by injunction the Developer to correct and cure said breach or threatened breach, provided that any monetary damages resulting therefrom shall solely be the responsibility of Sterling Suffolk and its successors and assigns. None of the remedies enumerated herein are exclusive, except for the City's rights to receive liquidated damages under the provisions of Section VIII.D. hereof which liquidated damages may be satisfied by drawing on the Letters of Credit as set forth in Section VII.D., and except as limited by Section VIII.C., nothing in this Agreement shall be construed as prohibiting the City from pursuing any other remedies at law, in equity or otherwise available to the City.

C. Termination. Except for the provisions that by their terms survive and subject to the provisions of Section XVII.S. of this Agreement, this Agreement shall terminate upon the occurrence of any of the following events and with immediate effect:

1. The Developer in its entirety is found not qualified by the Commission to proceed to the RFA-2 phase of the selection process;
2. The Developer fails to receive the affirmative vote in the Election required under the Act;
3. The Category 1 License for Region A (as such term is defined in the Act) is awarded to a party other than the Developer, and (i) such other party has both paid the Category 1 License fee pursuant to Section 10(d) of the Act and submitted the construction deposit or bond required pursuant to Section 10(a) of the Act, and (ii) such award is not subject to any pending appeal, further review, or revocation proceedings;
4. The Developer's Category 1 License is revoked by a final, non-appealable order of the Commission; or

5. The expiration of the Term of this Agreement or the nonrenewal of the Category 1 License awarded to the Developer.

These termination events are in addition to any other rights of the City or the Developer to terminate this Agreement otherwise available under law.

D. Liquidated Damages. The City and the Developer agree that because of the difficulty and/or impossibility of determining the City's damages upon the occurrence of an Event of Default pursuant to Section VIII.A. above by way of detriment to the public benefit and welfare of the City through lost employment opportunities, lost tourism and loss of revenue, both directly and indirectly, the Developer shall pay the City, during the Damage Period, as hereinafter defined, and the City shall accept as an exclusive remedy, as liquidated damages and as a reasonable forecast of such potential damages, and not as penalties, the following sums:

1. For an Event of Default under Section VIII.A.1 of this Agreement, the amount outstanding plus interest at a rate of eighteen percent (18%) per annum for the first thirty (30) days then the sum of Eighty-Eight Thousand Dollars (\$88,000.00) per calendar day for each day in the Damage Period after the thirtieth (30th) day.
2. For an Event of Default under Section VIII.A.13, Section VIII.A.14 or Section VIII.A.15 of this Agreement; the sum of Fifty-Five Thousand Dollars (\$55,000.00) per calendar day.
3. For all other Events of Default set forth in Section VIII.A. of this Agreement, the sum of up to Twenty-Five Thousand Dollars (\$25,000.00) per calendar day, such amount to be set at the City's sole discretion.

The Developer agrees to waive any and all affirmative defenses that the amount of liquidated damages provided herein constitutes a penalty. For purposes of this Section, the "Damage Period" shall commence on the date the City delivers written notice to the Developer of its election to receive liquidated damages pursuant to this Section and shall continue until the date the Event of Default is cured. No liquidated damages under this Section shall be payable following the expiration of the Developer's Category 1 License at the end of the original fifteen (15) year term. To the extent the Developer fails to pay the liquidated damages due under this Section within five (5) days after a request by the City, notwithstanding anything to the contrary in this Agreement, the City shall be permitted to draw down on the applicable Letters of Credit to satisfy this payment obligation.

IX. LETTERS OF CREDIT

Pursuant to Section 10(a) of the Act and 205 CMR 122.05, if the Developer is issued a Category 1 License by the Commission, the Developer is required to either deposit ten percent (10%) of the Developer's proposed capital investment in the Project in an interest-bearing escrow account or, at the Commission's discretion, obtain a deposit bond insuring ten percent (10%) of the proposed capital investment. In the event the Developer is unable to complete the gaming establishment, the deposit or deposit bond would be forfeited to the Commonwealth in accordance with the Act.

In addition, to secure the Developer's obligations under this Agreement during the construction phase of the Project, including, without limitation, all payments to the City due before the Full Build-Out Operations Commencement Date and all liquidated damages that may be due hereunder, within thirty (30) days after the issuance of the Category 1 License to the Developer, the Developer shall deliver to the City an original irrevocable standby letter of credit issued by a major money center bank located within the United States reasonably acceptable to the City in the initial sum of Twenty Million Dollars (\$20,000,000.00)(the "Construction Letter of Credit"). The Construction Letter of Credit shall be issued in accordance with, and subject to, the International Standby Practices (ISP98) International Chamber of Commerce Publication No. 590 and the rules of the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500, as most recently published and/or updated by the International Chamber of Commerce, or any successor code of standby letter of credit practices generally adopted by the issuing bank as may be in effect at the time of issuance (the "Letter of Credit Standards").

In addition, to secure the Developer's obligations under this Agreement, including, without limitation, payments of the Annual Host Community Agreement Fee, any liquidated damages due hereunder, and to pay for any losses incurred by the City as a result of an Event of Default by the Developer, prior to the issuance of and as a condition to the issuance of the final Certificate of Occupancy by the City's Inspectional Services Department for the Full Build-Out Component of the Project, (i) the Developer shall deliver to the City an original irrevocable standby letter of credit issued by a major money center bank located within the United States reasonably acceptable to the City in the initial sum of Twenty Million Dollars (\$20,000,000.00) (the "Host Community Agreement Letter of Credit," and together with the Construction Letter of Credit, the "Letters of Credit"), and (ii) the Construction Letter of Credit shall promptly be returned by the City to the Developer or the Authorized Lender. For the purpose of clarity, the City shall not be permitted to draw on the Construction Letter of Credit once the City has received the Host Community Agreement Letter of Credit from the Developer. The Host Community Agreement Letter of Credit shall be issued in accordance with the Letter of Credit Standards.

The Letters of Credit shall be in form and substance acceptable to the City in accordance with the Letter of Credit Standards set forth above. The Letters of Credit shall automatically renew. The Developer shall be obligated to maintain the Host Community Agreement Letter of Credit for the Term of the Agreement.

During the Term, the Letters of Credit shall be renewed or replaced prior to expiry with either a renewal of the then current Letter(s) of Credit or with a replacement Letter(s) of Credit satisfying the other requirements of this Section, in either case extending the expiry Letter(s) of Credit for at least twelve (12) months. At least forty-five (45) days prior to the expiration of the then-current Letter(s) of Credit, the Developer shall notify the City in writing of its intention to deliver original renewal or replacement Letters of Credit. The Developer shall deliver original renewal or replacement Letter(s) of Credit to the City at least thirty (30) days prior to expiration of the then current Letter(s) of Credit. If a satisfactory renewal or replacement Letter(s) of Credit has not been delivered to the City at least thirty (30) days prior to the expiration of the then current Letter(s) of Credit, the City shall be entitled to draw on the then existing Letter(s) of Credit and shall hold the funds in escrow until such time as a replacement Letter(s) of Credit has

been provided to the City. The provisions of this Section shall survive the termination or expiration of this Agreement.

X. COVENANTS OF THE DEVELOPER

A. Affirmative Covenants of the Developer. The Developer covenants that throughout the Term, the Developer shall:

1. Do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence.
2. Do or cause to be done all things necessary to preserve, renew and keep in full force and effect the Approvals and the Category 1 License, and comply with all Governmental Requirements applicable to the operation of its business and other activities, in all material respects, whether now in effect or hereafter enacted.
3. Furnish to the City:
 - a) Within one hundred five (105) days after the end of each Casino Year of the Developer commencing with the Casino Year in which the Early Opening Operations Commencement Date occurs, annual financial statements, balance sheets and statements of operations, owners' equity and cash flows of the Developer and the Project showing the financial condition and operation of the Developer and the Project as of the close of such year and the results of operations during such year, all of the consolidated financial statements to be audited by a firm of independent certified public accountants of recognized national standing acceptable to the City and accompanied by an opinion of such accountants without material exceptions or qualifications.
 - b) Within forty-five (45) days after the end of each fiscal quarter of the Developer commencing with the fiscal quarter in which the Early Opening Operations Commencement Date occurs, financial statements (including balance sheets and statements of cash flow and operations) showing the financial condition and results of operations of the Developer and the Project as of the end of each such fiscal quarter and for the then elapsed portion of the current fiscal year, accompanied by a certificate of an officer of the Developer that such financial statements have been prepared in accordance with GAAP, consistently applied, to the extent applicable.
 - c) Promptly upon the receipt thereof, copies of all reports, if any, submitted to the Developer by independent certified public accountants in connection with each annual, interim or special audit or review of the financial statements of the Developer and the Project made by such accountants, including any comment letter submitted by such accountants to management in connection with such review.

- d) Simultaneous with its submission to the Commission, accurate, complete and certified copies of reports submitted pursuant to Sections 21(a)(10), 21(a)(12), 21(a)(15), 21(a)(23), 21(a)(24), 23(a) and 28(b) of the Act.
- e) Simultaneous with its submission, full and complete copies of any and all applications by the Developer for LEED certifications, as more particularly described in Exhibit H of this Agreement.
- f) Simultaneous with its submission or receipt, full and complete copies of all applications, permits, approvals, licenses and correspondence regarding the sale or consumption of alcohol at the Project.
- g) Within one hundred five (105) days of the end of each Casino Year, a statement as to whether the Developer is aware of any noncompliance with the radius restriction set forth in Section III.U.
- h) Beginning at the Full Build-Out Operations Commencement Date and every two (2) years thereafter, the Developer shall deliver a report to the City and the Gaming Accountability Office that (i) evaluates the effectiveness of mitigation measures implemented by the Developer in any Approvals including, without limitation, a comparison of actual vehicle trips to and from the Project compared to projected vehicle trips and the effectiveness of the transportation improvements listed in Exhibit E, (ii) provides information regarding and evaluates the effectiveness of environmental and sustainability measures and commitments made in this Agreement, including, without limitation, greenhouse gas emissions, energy use of the Project broken down by source, on-site energy generation, use of alternative transportation by employees, visitors and customers broken down by type of transportation used, water use and stormwater compliance initiatives, waste and recycling initiatives, local food provisions and all other provisions in Exhibit H, (iii) provides an assessment of the impacts of the Project on housing and school population, and (iv) details the Developer's compliance with all of its other obligations under this Agreement, including, without limitation, the required square footage of Gaming Areas set forth in Section III.A., the First Class Project Standards in Section III.B., the operations requirements in Section III.E., the minimum number of permanent and construction jobs and the average annual salary of employees identified in Section III.M. as well as the plans and commitments in Exhibit I-1, Exhibit I-2 and Exhibit I-3, the local business, purchasing and economic development requirements in Section III.N., the slot machine purchasing obligations in Section III.R., the smoke-free provisions in Section III.V. and the construction management plan in Section III.W.

i) From time to time, such other information regarding the compliance by the Developer with the terms of this Agreement or the affairs, operations or condition (financial or otherwise) of the Developer and the Project or as the City may reasonably request.

j) Prompt written notice of the following (but in no event later than five (5) business days following the actual knowledge thereof by the Developer):

(1) The issuance by any Governmental Authority of any injunction, order, decision, notice of violation or deficiency, asserting a violation of Governmental Requirements applicable to the Developer or the Project, together with copies of all relevant documentation;

(2) The issuance by any Mortgagee or other Person providing Financing to the Developer of a letter, notice or other document alleging a default, event of default or failure to comply with the terms of a Financing, together with copies of all relevant documentation;

(3) The notice, filing or commencement of or any threatened notice, filing or commencement of, any action, suit or proceeding by or against the Developer whether at law or in equity or by or before any court or any Governmental Authority that pertains in any way to the Project;

(4) Any default or Event of Default by the Developer under this Agreement, specifying the nature and extent of the default or Event of Default and the action (if any) that is proposed to be taken by the Developer;

(5) Any Transfer or proposed Transfer under Article VII; and

(6) Any development in the business or affairs of the Developer that could reasonably be expected to have a Material Adverse Effect.

4. Maintain financial records in accordance with GAAP, or the equivalent thereof, and permit an authorized representative designated by the City during normal business hours to visit, inspect and audit the properties and financial records and to make extracts from such financial records, all at the Developer's reasonable expense, and permit any authorized representative designated by the City to discuss the affairs, finances and conditions of the Developer with any executive officer or other manager or officer of the Developer or the Casino and the Developer's independent public accountants, all as such representative of the City shall reasonably deem appropriate.

5. Make or cause to be made, annual capital expenditures to the Project consistent with Section 21(a)(4) of the Act.

B. RFA-2 Response. The Developer shall:

1. Promptly, completely and accurately submit to the Commission its completed response to the Commission's RFA-2 (the "RFA-2 Response"), all other information as the Commission may from time to time require from the Developer in connection with its application for a Category 1 License, make all payments required under the Act to be made by an applicant for a Category 1 License and use its best efforts to satisfy all criteria necessary to be issued a Category 1 License by the Commission;

2. Furnish to the City a copy of the RFA-2 Response simultaneous with or immediately following its submission to the Commission and reasonably consult with the City in advance of such submission, as to its content;

3. Consult with the City prior to making any formal presentation to the Commission concerning its RFA-2 Response; and

4. Prior to the Commission issuing a Category 1 License to the Developer, keep the City informed as to all material contacts and communications between the Commission and its staff and the Developer so as to enable the City to evaluate the likelihood and timing of the Commission issuing a Category 1 License to the Developer.

C. Negative Covenant of the Developer. The Developer covenants that throughout the Term, the Developer shall not declare or pay and dividends, payments or distributions to any members or shareholders of the Developer upon the occurrence of an Event of Default under Sections VIII.A.1 through Section VIII.A.7, Section VIII.A.10, Section VIII.A.12 or Sections VIII.A.13 through Section VIII.A.16 until such Event of Default is cured.

D. Confidentiality of Deliveries. To the extent that the Act, other laws of the Commonwealth or any other Governmental Requirements, in the reasonable opinion of the City's Corporation Counsel, allow confidential treatment of items Developer is obligated to furnish to the City under Sections X.A.3(a), (b), (c), (d), (j)(1), (j)(2), (j)(3), (j)(5) and (j)(6) and Section X.B.2., the City agrees to keep such items confidential (for so long as they are entitled to confidential treatment) and shall not disclose them except (i) to such City officials and consultants on a need-to-know basis; and/or (ii) pursuant to a court order. Further, to the extent that the Developer requests confidential treatment of any documentation or information required to be provided to the City under this Agreement, and such documentation and information may be protected from disclosure by the City under applicable law, the City shall maintain such documentation and information confidential to the extent permitted by applicable law. The City may agree to undertake an in person review and inspection of any such confidential information as a means of reviewing the information provided by Developer in accordance with its obligations under this Article X.

XI. REPRESENTATIONS AND WARRANTIES

A. Representations and Warranties of the Developer. The Developer represents and warrants that:

1. The Developer is a duly formed limited liability company organized under the laws of the Commonwealth of Massachusetts and is in good standing and qualified to do business under the laws of the Commonwealth of Massachusetts;
2. The Developer has taken all actions required by law to approve the execution of this Agreement;
3. The Developer's entry into this Agreement and/or the performance of the Developer's obligations under this Agreement do not violate any contract, agreement or other legal obligation of the Developer;
4. The Developer's entry into this Agreement and/or the performance of the Developer's obligations under this Agreement do not constitute a violation of any state or federal statute or judicial decision to which the Developer is subject;
5. There are no pending lawsuits or other actions or proceedings which would prevent or impair the timely performance of the Developer's obligations under this Agreement;
6. The Developer has the legal right, power, and authority to enter into this Agreement and to consummate the obligations contemplated hereby, and the execution, delivery and performance of this Agreement have been duly authorized and no other action by the Developer is requisite to the valid and binding execution, delivery, and performance of this Agreement, except as otherwise expressly set forth herein, and this Agreement is enforceable against the Developer;
7. The individual executing this Agreement on behalf of the Developer is authorized to execute this Agreement on behalf of the Developer; and
8. This Agreement is binding on the Developer and is enforceable against the Developer in accordance with its terms, subject to applicable principles of contract, equity and insolvency laws.

B. Representations and Warranties of the City. The City represents and warrants that:

1. The City is a validly existing municipal corporation and has all requisite power and authority to enter into and perform its obligations under this Agreement, and all other agreements and undertakings to be entered into by the City in connection herewith;

2. This Agreement is binding on the City and is enforceable against the City in accordance with its terms, subject to applicable principles of equity and insolvency laws;

3. The City's entry into this Agreement and/or the performance of the City's obligations under this Agreement do not violate any contract, agreement or other legal obligation of the City;

4. The City's entry into this Agreement and/or the performance of the City's obligations under this Agreement do not constitute a violation of any state or federal statute or judicial decision to which the City is subject;

5. There are no pending lawsuits or other actions or proceedings which would prevent or impair the timely performance of the City's obligations under this Agreement; and

6. The individual executing this Agreement on behalf of the City is authorized to execute this Agreement on behalf of the City.

XII. INSURANCE AND INDEMNITIES

A. Insurance.

1. The Developer shall maintain in full force and effect the types and amounts of insurance as set forth below, and to the extent permissible under Governmental Requirements, the City shall be named as an additional insured under each policy. The Developer shall be responsible for all deductibles related to such insurance. In addition, the City may require commercially reasonable increases in all insurance coverage amounts from time to time as may be appropriate for projects of similar size and complexity.

<u>Type of Coverage</u>	<u>Requirements</u>
Commercial General Liability (occurrence form)	Coverage shall include products liability, completed operations, liquor liability, garagekeepers legal liability, damage to rented premises, personal and advertising injury and blanket contractual injury. The policy shall have limits of at least \$1,000,000 per occurrence and \$2,000,000 per location aggregate for property damage and bodily injury.
Automobile Liability Insurance	\$1,000,000 combined single limit coverage each accident. This policy shall include coverage for loss due to bodily injury or death of any person, or property damage arising out of the ownership, maintenance, operation or use of any motor vehicle whether owned, non-owned, hired or leased.

Workers' Compensation Insurance	Limits as required by statute in the Commonwealth covering all of the Developer's personnel performing work or services in connection with the Project.
Employers' Liability Insurance	\$1,000,000 each accident and each employee for disease.
Umbrella and/or Excess Liability Insurance	\$300,000,000 each occurrence/aggregate.
Pollution Legal Liability Insurance	\$5,000,000 each occurrence/aggregate. This policy shall provide coverage for third-party bodily injury, property damage, cleanup costs and defense costs that arise in connection with the Project.

2. Prior to undertaking any activities on the Property, the Developer and any of its Authorized Representatives shall first provide the City certificates of insurance evidencing all insurance policies that the Developer and its Authorized Representatives (including, without limitation, any architects, engineers, general contractors, subcontractors, and consultants) are required to carry hereunder. All such certificates of insurance shall confirm the specific coverage requirements stated above and shall unequivocally state that should any of the above-described policies lapse, be materially changed, or be cancelled before the expiration date thereof, the issuing insurer shall provide thirty (30) days written notice to the City.

3. All policies of insurance referred to herein shall be written in a form that is reasonably acceptable to the City (acting through the Mayor) and by companies that are authorized to do business in the Commonwealth and having a financial strength rating by A.M. Best Company, Inc. of not less than "A-" or its equivalent from another recognized rating agency. The City (acting through the Mayor), in its sole discretion, may waive or modify one or more of the foregoing insurance requirements if the same are not available on commercially reasonable terms. All policies of insurance shall provide that any act or negligence of the Developer shall not prejudice the rights of the City as a party insured under said policies. If requested by the City in writing, the Developer shall furnish the City with certified copies of the insurance policies required hereunder.

B. Policies Non-Cancelable. The Developer agrees that all policies of insurance referred to herein shall not be canceled or allowed to lapse nor shall any material change be made in any such policy which changes, restricts or reduces the insurance provided, nor shall there be a change in the name of the insured, without first giving thirty (30) days notice in writing to the City.

C. Keep in Good Standing. The Developer shall observe and comply with the requirements of all policies of public liability, fire and other policies of insurance at any time in force with respect to the Project and the Developer shall so perform and satisfy the requirements of the companies writing such policies.

D. Waiver of Subrogation. The Developer hereby waives all rights of recovery against the City and its Authorized Representatives on account of loss or damage to the Property, and to the extent that the Developer obtains an insurance policy for such loss or damage, the Developer shall cause such policy to be endorsed to waive the insurer's rights of subrogation against the City and its Authorized Representatives.

E. Indemnity. The Developer, at its sole cost and expense, shall defend and shall indemnify and hold harmless the City and its Authorized Representatives from and against all loss, cost, damage, and expense, including claims for bodily injury and property damage, which are incurred or suffered by any one or more of them (a) based upon or arising out of the gross negligence or willful misconduct of the Developer, or any of the Developer's Authorized Representatives in the performance of any activity, undertaking or obligation arising out of this Agreement, or (b) based upon or arising out of any breach of or default under this Agreement by the Developer; provided, however, that the Developer shall not be liable for any losses to the extent caused by the gross negligence or willful misconduct of any one or more of the City or its Authorized Representatives. The foregoing express obligation of indemnification shall not be construed to negate or abridge any other obligation of indemnification running to the City which would exist at common law or under other provisions of this Agreement, and the extent of the obligation of indemnification shall not be limited by any provision of insurance undertaken in accordance with this Agreement. This indemnification shall survive the termination of this Agreement.

XIII. DAMAGE OR DESTRUCTION; CONDEMNATION

A. Damage or Destruction. In the event of damage to or destruction of improvements at the Project or any part thereof by fire, casualty or otherwise, the Developer, at its sole expense and whether or not the insurance proceeds, if any, shall be sufficient therefor, shall promptly repair, restore, replace and rebuild (collectively, "Restore") the improvements, as nearly as possible to the same condition that existed prior to such damage or destruction using materials of an equal or superior quality to those existing in the improvements prior to such casualty. All work required to be performed in connection with such restoration and repair is hereinafter called the "Restoration." The Developer shall obtain a permanent certificate of occupancy as soon as practicable after the completion of such Restoration. If neither the Developer nor any Mortgagee shall commence the Restoration of the improvements or the portion thereof damaged or destroyed promptly following such damage or destruction and adjustment of its insurance proceeds, or, having so commenced such Restoration, shall fail to proceed to complete the same with reasonable diligence in accordance with the terms of this Agreement, the City may, but shall have no obligation to, complete such Restoration at the Developer's expense. Upon the City's election to so complete the Restoration, the Developer immediately shall permit the City to utilize all insurance proceeds which shall have been received by the Developer, minus those amounts, if any, which the Developer shall have applied to the Restoration, and if such sums are insufficient to complete the Restoration, the Developer,

on demand, shall pay the deficiency to the City. Each Restoration shall be done subject to the provisions of this Agreement.

B. Use of Insurance Proceeds.

1. Subject to the conditions set forth below, all proceeds of casualty insurance on the improvements shall be made available to pay for the cost of Restoration if any part of the improvements are damaged or destroyed in whole or in part by fire or other casualty.

2. Promptly following any damage or destruction to the improvements by fire, casualty or otherwise, the Developer shall:

a) give written notice of such damage or destruction to the City and each Mortgagee; and

b) deliver a written notice of the Developer's intent to complete the Restoration in a reasonable amount of time plus periods of time as performance by the Developer is prevented by Force Majeure events (other than financial inability) after occurrence of the fire or casualty.

3. The Developer agrees to provide monthly written updates to the City summarizing the progress of any Restoration, including but not limited, anticipated dates for the opening of the damaged areas to the public, to the extent applicable.

4. The Developer shall have no notification requirements to the City for any Restoration having a value less than Fifty Million Dollars (\$50,000,000) in the aggregate.

C. No Termination. Except as expressly provided herein, no destruction of or damage to the Project, or any portion thereof or property therein by fire, flood or other casualty, whether such damage or destruction be partial or total, shall permit the Developer to terminate this Agreement or relieve the Developer from its obligations hereunder.

D. Condemnation. If a Major Condemnation occurs, this Agreement shall terminate, and no Party shall have any claims, rights, obligations, or liabilities towards any other Party arising after termination, other than as provided for herein. If a Minor Condemnation occurs or the use or occupancy of the Project or any part thereof is temporarily requisitioned by a civil or military governmental authority, then (a) this Agreement shall continue in full force and effect, and (b) the Developer shall promptly perform all Restoration required in order to repair any physical damage to the Project caused by the Condemnation, and to restore the Project, to the extent reasonably practicable, to its condition immediately before the Condemnation.

E. Subject to Financing. In connection with a Financing, the Parties agree that the terms and conditions of this Section XIII shall be complied with in accordance with the terms and conditions set forth in Exhibit Q.

XIV. ESTOPPELS

The City (acting through the Mayor) shall, with reasonable promptness, but in no event later than thirty (30) days after receipt of a written request therefor by the Developer, any mortgagee, lessee or purchaser of all or a portion of the Project, which request has been made in connection with the closing, sale, lease or financing of the Project or any portion thereof, provide a certificate in writing in the form attached hereto as Exhibit L stating that, to the City's actual knowledge, this Agreement is in full force and effect and unmodified, or stating in what respects the Agreement is no longer in force and effect or has been modified, and whether or not the City has actual knowledge of any default under this Agreement by the Developer and, if so, in what respects.

XV. FORCE MAJEURE

A. Definition of Force Majeure. An event of "Force Majeure" shall mean the following events or circumstances, to the extent they result in a delay beyond the reasonable control of the Developer or its Authorized Representatives or otherwise result in a Material Adverse Effect on the Developer's ability to satisfy its duties and obligations under this Agreement:

1. Strikes, lockouts, boycotts, labor disputes, inability to procure labor, equipment, facilities, materials, services or supplies attributable to market-wide shortages, failure or delay of utilities or utility providers, or explosions;
2. Acts of God, tornadoes, hurricanes, floods, sinkholes, fires and other casualties, landslides, earthquakes, epidemics, quarantine and/or pestilence;
3. Acts of a public enemy, acts of war, terrorism, effects of nuclear radiation, blockades, insurrections, public disturbances, riots, civil disturbances, or local, national or international calamities;
4. Any law, act or order of a Governmental Authority, including, without limitation, any stay, temporary restraining order, preliminary injunction or permanent injunction, or mandamus or similar order, and any litigation or administrative delay, in each case which impedes the ability of the Developer to complete the Project in accordance with this Agreement, unless based materially in whole or in part on the actions or failure to act of the Developer; and
5. The failure by, or unreasonable delay of, the City or Commonwealth or other Governmental Authority to issue any permits or Approvals necessary for Developer to develop, construct, open or operate the Project by the Early Opening Operations Commencement Date or Full Build-Out Operations Commencement Date unless such failure or delay is based materially in whole or in part on the actions or failure to act of Developer, its Affiliates or its Authorized Representatives.

The Developer's lack of funds shall not be considered an event of Force Majeure.

B. Notice. The Developer shall promptly notify the City in writing of the occurrence of an event of Force Majeure, of which it has knowledge, describe in reasonable detail the nature of the event and provide a good faith estimate of the duration of any delay expected in the Developer's performance obligations.

C. Excuse of Performance. Notwithstanding any other provision of this Agreement to the contrary, the Developer shall be entitled to an adjustment in the time for or excuse of the performance of any duty or obligation of the Developer under this Agreement for Force Majeure events, but only for the number of days due to and/or resulting as a consequence of such causes and only to the extent that such occurrences actually prevent or delay the performance of such duty or obligation or cause such performance to be commercially unreasonable.

XVI. REOPENERS

The Parties acknowledge and agree that in addition to the "triggering events" for reopening an agreement set forth in 205 CMR 127.02, the Parties have voluntarily agreed to reopen and negotiate an amendment to this Agreement, as permitted under 205 CMR 127.06, for the following reasons:

A. Class A Reopener: To effectuate any Material Project Changes or any changes to this Agreement that would reduce the amount of the Upfront Community Impact Fee or Annual Host Community Agreement Fee.

B. Class B Reopener: To effectuate any Material Project Changes or any changes to this Agreement, which, in the opinion of the City in consultation with the BRA, are not or have not been effectively mitigated by the Developer.

C. Class C Reopener: To effectuate any Material Project Changes or any changes to this Agreement, which, in the opinion of the City in consultation with the BRA and following a public process, are or have been effectively mitigated by the Developer; provided, however, that in no event is such change classified as a Class A Reopener.

D. Class D Reopener: To effectuate any Material Project Changes or any changes to this Agreement to reflect changes in law, regulations or interpretations by Governmental Authorities that are or have been effectively mitigated by the Developer; provided, however, that in no event is such change classified as a Class A Reopener.

E. Class E Reopener: To incorporate changes necessitated by the terms and conditions of Approvals, including, without limitation, BRA Approvals under Article 80B and Article 53 of the Boston Zoning Code that are or have been effectively mitigated by the Developer; provided, however, that in no event is such change classified as a Class A Reopener.

F. Class F Reopener: To correct non-material terms or typographical errors; provided, however, that in no event is such change classified as a Class A Reopener or Class B Reopener.

Notwithstanding the foregoing, in order to effectuate an amendment to this Agreement that includes either a Class A Reopener or Class B Reopener (i) the Parties and any parties who must execute limited joinders shall mutually negotiate an amendment to this Agreement, (ii) the amendment shall be executed by the Parties and all other parties who must execute limited joinders, (iii) the governing body of the City shall schedule a date certain to hold an election, all in the same manner as is required by Section 15(13) of the Act, (iv) the City will make the signed agreement public with a concise summary, approved by the City's Corporation Counsel, in a periodical of general circulation and on the official website of the City not later than seven (7) days after execution until the results of the election on the amendment have been certified, all in the same manner as is required by Section 15(13) of the Act, and (v) such amendment containing a Class A Reopener or Class B Reopener shall receive a certified and binding vote in favor of the amendment on a ballot question at the election.

Notwithstanding the foregoing, in order to effectuate an amendment to this Agreement that includes only a Class C Reopener, Class D Reopener, Class E Reopener or Class F Reopener, (i) the Parties and any parties who must execute limited joinders shall mutually negotiate an amendment to this Agreement and (ii) the amendment shall be executed by the Parties and all other parties who must execute limited joinders.

No proposed changes to the Project or the Agreement shall be effective unless and until the Parties have complied with the provisions of this Article XVI. The Parties shall continue to adhere to the terms and conditions of this Agreement pending the mutual execution and delivery of any amendment to this Agreement.

XVII. MISCELLANEOUS

A. Notices. Any notice hereunder shall be in writing and shall be deemed duly given if mailed by certified or registered mail, postage and registration charges prepaid, by overnight delivery service with receipt, or by hand delivery during normal business hours, to the Parties at the addresses set forth below (or such other addresses as a party may hereafter designate for itself by notice to the other party as required hereby):

If to the City: Mayor
City of Boston
1 City Hall Square, Suite 500
Boston, MA 02201-2013

With copies to: City of Boston
Office of Gaming Accountability
1 City Hall Square
Boston, MA 02201-2013

If to the Developer: Sterling Suffolk Racecourse, LLC
525 William F. McClellan Highway
East Boston, MA 02128
Attention: Chair of the Board and COO

with copies to: DLA Piper LLP
33 Arch Street, 26th Floor
Boston, MA 02110-1447
Attention: Charles A. Baker III, Esq.

Any such notice shall be effective three (3) days after mailing if sent by certified or registered mail, one (1) day after mailing if sent by overnight delivery service, or on the day of delivery if sent by hand delivery or by email.

B. Conflict of Interests; Representatives and Agents Not Individually Liable. No member, official, employee, agent, or other authorized representative of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, employee, agent, or representative participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is, directly or indirectly, interested. No member, official, employee, agent, or other authorized representative of the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Developer or its successor or on any obligations under the terms of this Agreement. No stockholder, member, indirect or direct owner, director, manager, officer, employee, agent, or other authorized representative of the Developer shall be personally liable to the City, or any successor in interest, in the event of any default or breach by the Developer or for any amount which may become due to the City or its successor or on any obligations under the terms of this Agreement.

C. No Liability for Approvals and Inspections. No approval to be made by the City under this Agreement or any inspection of the Work by the City shall render the City liable for failure to discover any defects or non-conformance with this Agreement, or a violation of or noncompliance with any federal, Commonwealth or local statute, regulation, ordinance or code.

D. Time of the Essence. All times, wherever specified herein for the performance by the Developer of its obligations hereunder, are of the essence of this Agreement.

E. Cost of Investigation. If as a result of this Agreement, the City or any of its directors or officers, the Mayor, or any City Council members, or any employee, agent, or representative of the City is required to be licensed or approved by the Commission, the reasonable, actual costs of such licensing, approval or investigation shall be paid by the Developer within thirty (30) days following receipt of a written request by the City. Any such costs shall be considered Development Process Cost Fees.

F. Disclosure and Revenue Enforcement Statements. In compliance with the provisions of M.G.L. c. 7C, § 38 relative to the filing of disclosure statements, signed under the pains and penalties of perjury, by persons who have or will have a Direct or Indirect Interest in the Property, the Developer shall furnish to the City, prior to the City or the BRA taking any action with respect to any Approvals, evidence of the filing of a signed statement in the form attached hereto as Exhibit M with the Commissioner of the Commonwealth of Massachusetts Division of Capital Asset Management and Maintenance, and shall update the same annually on January 1 of each year and promptly following any permitted Transfer as provided in Article VII

hereof. Pursuant to M.G.L. c. 62C, § 49A, the Developer shall furnish to the City, simultaneously with the execution and delivery of this Agreement, a signed statement in the form attached hereto as Exhibit N as required by applicable law and shall update the same annually on January 1 of each year and promptly following any permitted Transfers as provided in Article VII hereof. In addition, the Developer shall file with the City copies of all disclosures required to be made under Approvals granted by the BRA, including Approvals under Article 80B of the Boston Zoning Code.

G. Actions by the Parties; Good Faith Cooperation. When the approval of either party is required to be obtained pursuant to this Agreement, such party shall be obligated to act reasonably and in good faith, and any such approval may not be unreasonably withheld, conditioned or delayed, except as specifically provided otherwise in this Agreement. In this Agreement, when City review and/or approval is required, it will be deemed to mean the applicable City department as directed by the Mayor, unless otherwise specifically set forth herein.

H. No Partnership. No relationship between the City and the Developer of partnership or joint venture is intended to be created hereby, and any such relationship is hereby disclaimed.

I. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

J. Jurisdiction; Venue.

1. For purposes of any suit, action or proceeding involving a dispute arising under or related to this Agreement, the Parties hereby expressly submit to the jurisdiction of the United States District Court for the District of Massachusetts or the Superior Court Department of Suffolk County and the Parties agree that such courts shall have exclusive jurisdiction over any suit, action or proceeding commenced by either or both of said Parties. In furtherance of such agreement, the Parties agree upon the request of the other to discontinue (or agree to the discontinuance of) any suit, action or proceeding pending in any other jurisdiction.

2. Each party hereby irrevocably waives any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding involving a dispute arising out of or relating to this Agreement brought in any federal or state court sitting in Suffolk County in the Commonwealth of Massachusetts and hereby further irrevocably waives any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

K. Arbitration; Dispute Resolution.

1. Alternative Process. While the Commission's regulations at 205 CMR provide for arbitration in certain circumstances, pursuant to the terms of 205 CMR 127.02, the Parties hereby acknowledge and agree that all Disputes under this Agreement, including a

Dispute regarding the reopening of this Agreement, whether specified in 205 CMR 127.02 or voluntarily agreed to in this Agreement as provided for in 205 CMR 127.06, shall be settled as set forth herein and shall not be settled expressly as set forth in 205 CMR 127.00.

2. Dispute Resolution. With respect to any Dispute, the following procedures will be implemented before any Party pursues other available remedies, except that any Party may seek injunctive relief, from a court identified in Section XVII.J. hereof, where appropriate, in order to maintain the status quo while this procedure is being followed:

a) Negotiation Amongst Representatives. The Parties will hold a meeting promptly, attended by the Developer's Authorized Representative, the City Representative and such other Persons with decision making authority regarding the Dispute, to attempt in good faith to negotiate a resolution of the Dispute; provided, however, that no such meeting will be deemed to vitiate or reduce the obligations and liabilities of the Parties or be deemed a waiver by a Party of any remedies to which such Party would otherwise be entitled hereunder. Any such meeting will be held at the principal offices of the City unless otherwise agreed to by the Parties.

b) Litigation. If, within twenty-one (21) days after such meeting (or such later date mutually acceptable to the Parties), the Parties have not succeeded in negotiating a resolution of the Dispute, then such Dispute shall be settled by a suit or proceeding in federal or state court pursuant to the provisions of this Agreement, unless the Parties mutually agree in writing to arbitration consistent with the procedures set forth in 205 CMR 127.05.

L. Severability. If any term or provision of this Agreement, or the application thereof to any person or circumstance shall, to any extent, be invalid, inoperative, or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid, inoperative or unenforceable, shall not be affected thereby; it shall not be deemed that any such invalid, inoperative or unenforceable provision affects the consideration for this Agreement; and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

M. Entire Agreement. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof. All waivers of the provisions of this Agreement must be in writing and signed by the Mayor and the Developer.

N. Exhibits; Counting of Days; Rules of Construction. The obligations of the Parties as set forth in this Agreement are subject to compliance with the terms and conditions of the Exhibits attached hereto which are incorporated herein and shall be considered a part of this Agreement. The titles or headings to the various sections of this Agreement are for convenience

of reference only, do not define or limit the contents thereof, and should be ignored in any construction thereof. When used herein, the words "he" or "she" shall have the same meaning. Unless specifically noted to the contrary, the term "day" as used in this Agreement shall mean calendar day.

Each party has cooperated in the drafting and preparation of this Agreement. Accordingly, in any action to construe this Agreement, a party's participation in such drafting shall not cause any language to be construed against it.

O. Counterparts. This Agreement may be executed in multiple counterpart originals, each of which shall constitute one and the same instrument.

P. Successors and Assigns. The provisions of this Agreement shall be binding upon, and shall inure to the benefit of, the successors and assigns of the Developer and the public body or bodies succeeding to the interests of the City, and to any subsequent grantees of any portion of the Property.

Q. Non-Discrimination. The Developer shall comply with all federal, state and municipal laws, rules, regulations and policies promoting fair employment practices or prohibiting employment discrimination and unfair labor practices and shall not discriminate in the hiring of any applicant for employment nor shall any qualified employee be demoted, discharged or otherwise subject to discrimination in the tenure, position, promotional opportunities, wages, benefits or terms and conditions of their employment because of race, color, national origin, ancestry, age, sex, religion, disability, handicap, sexual orientation or for exercising any rights afforded by law.

R. Recording. The Parties shall cooperate in recording and filing a copy of a Notice of Agreement with the Suffolk County Registry of Deeds and Suffolk County Registry District of the Land Court in the form attached hereto as Exhibit O. Upon the termination of this Agreement pursuant to Section VIII.C., the Parties shall cooperate in recording and filing a customary form of a Notice of Termination Notice of Agreement with the Suffolk County Registry of Deeds and Suffolk County Registry District of the Land Court. The costs of recording the Notice of Agreement and Notice of Termination of Notice of Agreement shall be paid by the Developer.

S. Non-Survival Upon Termination Under Certain Provisions. If this Agreement is terminated pursuant to Section VIII.C.1, Section VIII.C.2 or Section VIII.C.3 of this Agreement, then both Parties are relieved from all obligations under this Agreement, excepting the Developer's obligations regarding payment of Development Process Cost Fees and Development Dispute Cost Fees set forth in Section IV.K. of this Agreement. This provision of this Section supersedes any other provisions of this Agreement contrary thereto.

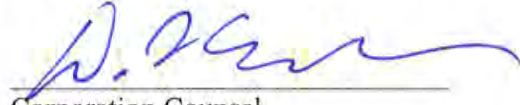
T. Mortgagee Subordination. Sterling Suffolk agrees to obtain and record with the Suffolk County Registry of Deeds and file with the Suffolk County Registry District of the Land Court a subordination agreement from all Mortgagee(s) similar in form and substance to the form attached hereto as Exhibit P. The subordination shall be recorded and filed by Sterling Suffolk immediately following the recording and filing of the Notice of Agreement set forth in Section

XVII.R but in any event within thirty-five (35) days after the issuance of a Category 1 License to the Developer by the Commission, for any existing Mortgagee as of the date of the recording of the Notice of Agreement and for all subsequent Financings.

[SIGNATURES ON FOLLOWING PAGE]

EXECUTED as a sealed instrument the day and year first above written.

APPROVED AS TO FORM:

A blue ink signature, likely of the Corporation Counsel, written over a horizontal line.

Corporation Counsel
City of Boston

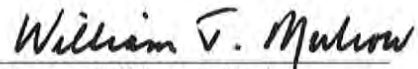
CITY OF BOSTON:

A black ink signature of Thomas M. Menino, written over a horizontal line.

By: Thomas M. Menino, Mayor
Hereunto duly authorized

DEVELOPER:

STERLING SUFFOLK RACECOURSE, LLC

By: A black ink signature of William J. Mulrow, written over a horizontal line.

Name: William J. Mulrow
Title: Chair of the Board
Hereunto duly authorized

LIMITED JOINDERS

The undersigned Operator, BRA and Boston Public Health Commission (collectively, the "Limited Joinder Parties") join in the foregoing Agreement solely for the purpose of agreeing to the provisions of the Agreement applicable to such Limited Joinder Party that are specifically identified under each Limited Joinder Party's signature line below. The Parties acknowledge and agree that neither the execution of this joinder by the Limited Joinder Parties nor the performance of an undertaking made herein shall subject the Limited Joinder Parties to any other provisions of this Agreement.

CAESARS MASSACHUSETTS MANAGEMENT
COMPANY, LLC, solely in its capacity as Operator

By: Caesars Massachusetts Acquisition Company,
LLC, its sole member

By: Caesars Entertainment Operating Company,
Inc., its sole member

By:

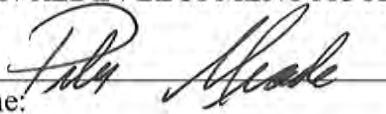

John W. R. Payne

President, Central Markets and
Partnership Development

Hereunto duly authorized

with respect to Article I, Section III.A.,
Section III.C., Section III.E., Section
III.H. through Section III.J., Section
III.M. through Section III.V., Section
III.X. through Section III.AA., Section
IV.H., Section IV.J., Article VI, Article
VII, Section VIII.A.3 through Section
VIII.A.5, Section VIII.A.8 through
Section VIII.A.12, Section VIII.A.17,
Section VIII.B.i, Section VIII.B.iv,
Section X.A., Section XI.A.2 through
Section XI.A.8, Article XII, Article XIII,
Article XV, Article XVI, Section
XVII.B., Section XVII.D., Section
XVII.F., Section XVII.G., Section
XVII.I. through Section XVII.K., Section
XVII.P. and Section XVII.Q.

BOSTON REDEVELOPMENT AUTHORITY


By: 

Name:

Title:

Hereunto duly authorized
with respect to Sections III.G., V.A., V.B., VII,
Exhibit I-2 and Exhibit I-3

BOSTON PUBLIC HEALTH COMMISSION

By: 

Name:

Title:

Hereunto duly authorized
with respect to Sections III.P., III.V., IV.A., IV.F.
and IV.T

**Site Plan of Property Showing Division Line
Between East Boston and Revere and Project Site Plan**





EXHIBIT B

Ward 1 Plan

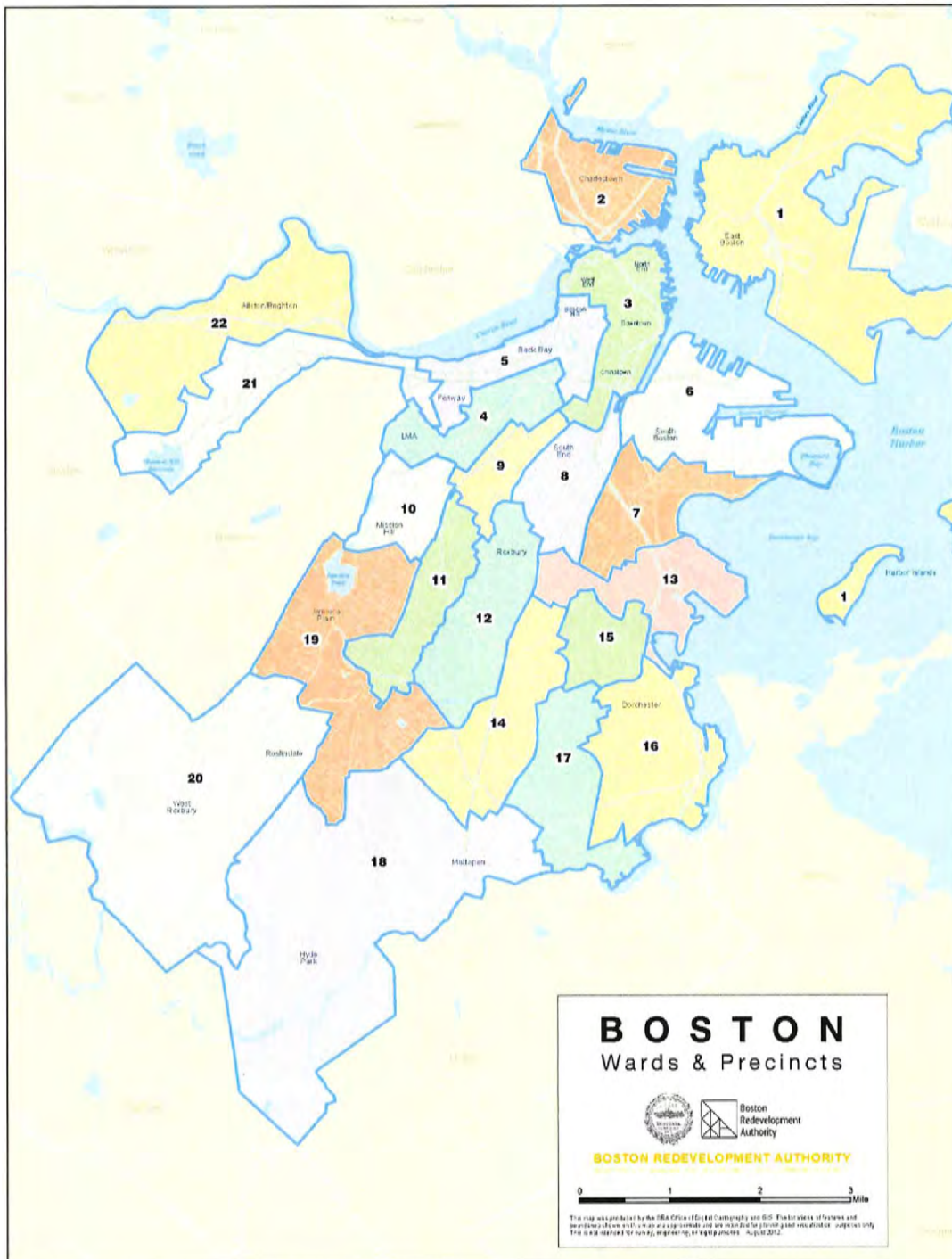


EXHIBIT C

List of Approvals

<i>Agency</i>	<i>Permit, Review or Approval</i>
Federal	
U.S. Environmental Protection Agency	National Pollutant Discharge Elimination System (NPDES) Construction General Permit (if required)
Federal Aviation Administration (FAA)	Notice of Proposed Construction/Determination; Federal Airspace review
State	
Executive Office of Energy and Environmental Affairs	Massachusetts Environmental Policy Act Review (incl. Public Benefit review for landlocked tidelands)
Massachusetts Department of Environmental Protection (MassDEP)	Sewer Connection Permit Plan Approval or Environmental Results Program Certification (for stationary air pollutant sources) Demolition Permit Asbestos Removal Permit (if required) Superseding Order of Conditions (only upon appeal of local Order)
Massachusetts Office of Coastal Zone Management (CZM)	Federal Consistency Certification (if required)
Massachusetts Department of Transportation	Vehicular Access Permit(s) (Category III) Non-Vehicular Access Permit Air Space Review
Massachusetts Water Resources Authority (MWRA)	Sewer Use Discharge Permit (or waiver) Dewatering Permit (if required)
Massachusetts Gaming Commission	Category 1 Gaming License
Massachusetts Historical Commission	State Register Review
Massachusetts Department of Conservation and Recreation	Access Permit(s)
Municipal	
BOSTON	
City of Boston	Host Community Agreement
Boston Civic Design Commission	Project Review
Boston Conservation Commission	Order of Conditions
Boston Fire Department	Fuel Storage Permit
Boston Redevelopment Authority and if required Boston Zoning Commission, Boston Board of Appeal and Assessing Department	Applicable Zoning Relief and Project Review in accordance with the terms of Articles 6, 7, 37, 53 and 80 of the Boston Zoning Code. c.121A Approvals (if applicable)
Boston Water and Sewer Commission	Local Sewer Connection Permit and Site Plan Approval Drainage Discharge Permit, if required
Committee on Licenses	Flammable Storage License/Garage Permit
Inspectional Services Department	Building Permit

<i>REVERE</i>	
City of Revere	Host Community Agreement
Building Department	Building Permit
Revere City Council	Applicable Zoning Relief and Project Review to the extent required by the Revere Zoning Ordinance
Revere Conservation Commission	Flood Plain Approval Order of Conditions
Site Plan Review Committee	Site Plan Review
<i>CHELSEA</i>	
Chelsea Conservation Commission	Order of Conditions (off-site transportation infrastructure improvements)

EXHIBIT D

Description of Early Opening Component

Caesars Resort at Suffolk Downs is a redevelopment proposed on approximately 161 acres of land in East Boston and Revere with all major proposed construction occurring in Boston. The main access points to the site are from Route 1A to the west and Tomasello Drive as well as from Winthrop Avenue at the north end of the property. Two mass transit stops on the MBTA Blue Line (Suffolk Downs and Beachmont stations) currently serve the Project site. The property is currently home to Suffolk Downs, which opened in 1935 and remains New England's only operating thoroughbred racetrack.

Caesars Resort at Suffolk Downs provides a unique opportunity to create a world class entertainment complex located minutes from the heart of downtown Boston and Logan International Airport. The Project will be constructed in one continuous phase, although certain portions of the Resort—described as Early Opening below—will open to the public before the Full Build is complete. As described below, the Project program includes two distinct casino gaming areas (referred to herein as Casino Area I and Casino Area II), two hotels, multi-purpose meeting/entertainment space, dedicated structured parking as well as surface parking, fine dining, retail space, and bars.

Early Opening Project Narrative

The Early Opening portion of the project, consisting of Casino Area I, will be housed on the first floor of the existing, re-purposed grandstand, link, and clubhouse buildings on the Project site. In its current design, the first floor will be a gaming floor (i.e., slot machines and table games) that will include a restaurant, sports bar, and dedicated poker room.

The second floor of the grandstand building will be re-purposed to house a Streets of Boston restaurant pavilion and back-of-house support spaces with connections to the grandstand area for racing patrons. The second floor of the adjacent link building will be re-purposed to house gaming offices and additional back-of-house support spaces. A double-bay loading dock and employee service entrance will be located on the north side of the building. Just to the north, a central utility plant will provide utility services for the entire Resort.

The existing clubhouse, attached to the grandstand building via the link building, will undergo renovations and will continue to house the horse racing program on the second and third levels. Gaming and racing components will be operated jointly and will be fully accessible to patrons.

The Early Opening Component shall include, without limitation all of the following items:

The Early Opening Component shall include, without limitation, all of the following items as shown on the Site Plan attached hereto at Exhibit A:

1. Reconstruction of the existing grandstands and clubhouse at the Property into a Gaming Area between 75,000 and 125,000 square feet with between 2,500 and 3,500 gaming positions (consisting of an evolving combination of slot machines and table games including a World Series of Poker room.
2. Between 4,000 and 6,000 square feet of meeting and entertainment space;
3. Thoroughbred racing track and simulcast betting area;
4. Between 2,000 and 2,250 parking spaces for patrons;
5. Food and beverage outlets with between 700 and 1,200 seats, including at least 6 restaurants;
6. A central utility plant; and
7. Construction of a security gate along the MBTA trolley turn around at Waldemar Avenue as well security cameras and surveillance along the Waldemar Avenue boundary of the Property and the boundaries of the Property near the Suffolk Downs MBTA station, all with a connection feed to the City. The security gate cannot be a chainlink fence and must be capable of being electronically opened by the City and its emergency personnel.

EXHIBIT E

Transportation Improvements

I. General Provisions

Terms used in this Exhibit E and not otherwise defined shall have the meaning ascribed to them in the main body of this Agreement. For purposes of this Exhibit E, “Post Opening” shall mean a date that is not later than one (1) year from the Full Build-Out Operations Commencement Date and the “Revere HCA” shall mean the Host Community Agreement entered into between Revere and the Developer.

The improvements itemized in this Exhibit E are proposed to address specific issues that have been raised by the community, the City and Revere, or by the Developer as either responding to current needs in the community or mitigating particular impacts expected on account of the Project. At this preliminary stage in the development of the Project, they are conceptual and remain subject to review by the various Governmental Authorities with jurisdiction over the improvement. Notwithstanding the preliminary nature of these improvements, the Parties have used their best judgment in articulating the specific improvements that are proposed at each location. The City and the Developer acknowledge that changes to the concepts are inevitable as design advances into the construction phase. However, the City shall approve design changes only if the modified design, in the sole discretion of the City, addresses the concern relating to the underlying community need or the Project mitigation objective.

II. Off-Site Transportation Improvements

As set forth in Section III.L of the Agreement, Developer shall spend a minimum of Forty Five Million Dollars (\$45,000,000) on transportation improvements related to the Project, exclusive of land acquisition or right of way costs, including, without limitation, the following improvements. In no event shall less than Nine Million Three Hundred Twenty Thousand Dollars (\$9,320,000.00) be allocated and expended in connection with transportation improvements within the City owned and maintained street and sidewalks. To the extent that the total cost of the construction and implementation of Items 3, 4, 5, 6, 7, and 8 as described below is less than said \$9,320,000.00, the remaining funds shall be dedicated and expended on other transportation improvements within the City as the City, in its sole discretion, determines appropriate.

Item	Location or Type	Action(s) ¹	Completion Date	Cost
TRAFFIC CONGESTION AND SAFETY-BOSTON				
1	Route 1A Boardman to Jughandle	Construct flyover; add lanes and signals	Full Build-Out Transportation Improvement	\$25,000,000
3	Bennington Street/Saratoga Street	Modify channelization, phasing and timing	Early Opening Transportation Improvement	\$500,000

¹ As necessary, these actions are more fully described in the narrative that follows this chart.

4	Boardman Street/Saratoga Street	Reconfigure roundabout approaches	Early Opening Transportation Improvement	\$500,000
5	Neptune Rd/Chelsea St to NB Ramp	Signal coordination, turn restrictions, islands	Early Opening Transportation Improvement	\$2,500,000
6	Curtis Avenue/Route 1A	Channelization, signage	Early Opening Transportation Improvement	\$1,100,000
7	Boardman Street/Ashley Street	Reconstruction of intersection	Early Opening Transportation Improvement	\$720,000
8	Contingency Fund	Create Contingency Fund	Early Opening Transportation Improvement	See narrative below
TRAFFIC CONGESTION AND SAFETY-REVERE*				
9	Route 1/Route 16	Ramp connection improvements	As per Revere HCA	\$2,100,000
10	Route 1/Route 16	Develop long-range plan for intersection improvements (feasibility study)	As per Revere HCA	\$400,000
11	Route 16/Route 145/Harris Street	Add turn lanes, pedestrian accommodations, islands	As per Revere HCA	\$1,600,000
12	Donnelly Square	Channelization, pedestrian access., timing	As per Revere HCA	\$860,000
13	North Shore Rd/RBP/Tomasello Drive	Island, pedestrian accommodations, timing	As per Revere HCA	\$1,000,000
14	Mahoney (Bell) Circle	Fund channelization, pedestrian access., timing, signs	As per Revere HCA	\$400,000
15	Brown Circle	Fund signs, markings and channelization	As per Revere HCA	\$200,000
16	Route 60/Revere Street	Fund detection, curbing and pedestrian accommodations	As per Revere HCA	\$680,000
17	Copeland Circle/Route 1	Coordination w/MassDOT re: long-range plans	Post Opening	
ALTERNATIVE MODES				

23	Blue Line Access	Provide walkway to SD Station	Early Opening Transportation Improvement	\$430,000 for Items 23 and 27]
24	Blue Line Access	Upgrade sidewalks to Beachmont along Winthrop Street	Early Opening Transportation Improvement	
25	Blue Line Access	Construct Suffolk Downs station upgrades	Full Build-Out Transportation Improvement	\$3,000,000
27	Bus Access	Provide bus stops and shelters on site	Early Opening Transportation Improvement	See Item 23 above.
29	Bicycle Access	Provide bike lanes on Bennington Street	Early Opening Transportation Improvement	\$140,000
31	Bicycle Access	Provide bike share parking	Early Opening Transportation Improvement	\$114,000

* To the extent that items 9 through 16 above are not completed prior to the Full Build-Out Operations Commencement Date, the Developer will work with the City to design and implement interim solutions to mitigate the adverse traffic impacts in the City between the Full Build-Out Operations Commencement Date and the date of completion of such improvements per the Revere HCA.

Narrative Description of Off-Site Transportation Improvements

Item 1 - Route 1A/Boardman to Jughandle

Four intersections are treated as one in the proposed Resort construction program. The proposed improvements include construction of a northbound Route 1A overpass bridging the Boardman Street intersection, meeting grade to the south of Waldemar Avenue. At Waldemar Avenue, a traffic signal would be installed allowing controlled movement between the Route 1A northbound through movement from the overpass and vehicles on an adjacent northbound frontage road serving vehicles proceeding northbound from the Boardman Street corridor. The Route 1A corridor width approaching this traffic signal would be five lanes, one of which would be set for movement to Waldemar Avenue. Continuing northbound, the intersection of Tomasello Drive (a private way) and Route 1A would be signalized with four northbound lanes provided, one of which will be for right turns into Tomasello Drive. The three remaining lanes will continue northerly several hundred feet through an upgraded traffic signal referred to as the “Jughandle” (at or near the Boston/Revere City Line) where the existing traffic signal would be upgraded and then the third lane would be dropped, tapering the existing two northbound lanes north of the Jughandle in Revere. Southbound, two through lanes would be maintained approaching the Jughandle, and extend through the Tomasello Drive intersection. Two additional left turn only lanes would be added approaching Tomasello Drive for access to the

Resort at Suffolk Downs. The Route 1A SB corridor would then be widened to three through lanes from Tomasello Drive southerly to and through the Boardman Street intersection, extending for a distance several hundred feet beyond the Boardman Street intersection and then taper to two lanes. A fourth lane will be provided approaching Boardman Street for left turns under the flyover to access Orient Heights and U-turns on the southbound approach to the new northbound frontage road.

All of the associated widening required for this work will be completed on the easterly side of the Route 1A corridor. Boardman Street westbound will be widened to allow for three lanes to approach Route 1A, consistent with the proposal advanced as part of the proposed hotel development at the intersection of Route 1A and Boardman Street. Waldemar Avenue will be maintained as one lane in each direction. Tomasello Drive will be widened to provide two lanes departing from Route 1A (entering the Resort), and four lanes approaching Route 1A (exiting the Resort - three for left turns and one for right turns). This plan is subject to the approval of MassDOT, City of Boston Transportation Department (BTD) and the City of Boston Public Improvement Commission (PIC).

Item 3 - Bennington Street/Saratoga Street

The base design used for improvements at this location is to improve pedestrian conditions and to upgrade signal operations. At the intersection, the installation of a traffic island in the southwest quadrant and redirection of crosswalks for both the Bennington and Saratoga crossings is proposed, providing a compliant curb ramp for the Bennington Street cross in the southeast quadrant, lane use changes on the northbound Bennington Street approach (one right only and one through left), and median removal and median removal/relocation on the northerly leg of Bennington Street to allow a three lane SB approach (two through and one left), with one through lane NB. Signal phasing modifications are also proposed with minor support relocations. As part of this intersection work, improvements will be made to the Saratoga Street pedestrian crossing in the Barnes Avenue/Bayswater Street triangle area to provide a pedestrian warning beacon system and compliant crossing ramps. The base design concept assumes the City of Boston has all of the right of way necessary to make these improvements. This work is subject to the approval of BTD and PIC.

Item 4 - Boardman Street/Saratoga Street

The basic concept of a traffic circle has been maintained within this intersection with the 11 year old geometry upgraded to a more standard roundabout design. The circle diameter would be increased and splitter islands added where roadway widths permit. The curb line along the easterly side of Saratoga Street would be modified to significantly reduce the pavement area and the reclaimed roadway would be used for parking adjacent to the Saratoga Street residences. Pedestrian crossings would be relocated and generally pass through the splitter islands where available. The base design cost assumes that the City of Boston has all of the right of way necessary to make these improvements. This work is subject to the approval of BTD and PIC.

Item 5 - Neptune Rd/Chelsea St to NB Route 1A Ramp off-ramp

This corridor has been split in two areas for the proposed improvement plan. The westerly section extends from Chelsea Street to Bremen Street, and the easterly section extends from Bremen Street to Frankfort Street.

Within the westerly section, the plan creates a one-way couplet with Saratoga Street providing a one-way SB corridor from Bremen Street to Neptune Road and Bremen Street one way NB from Neptune Road to Saratoga Street. The curb line on the southeast corner of Chelsea Street and Saratoga Street would be modified (pavement area reduced) and a median would be added on Neptune Road from Chelsea Street to Bremen Street where two lanes would be provided – one left turn and one lane continuing to Bennington Street. Based on traffic count evaluation, provide stop control on Neptune Road only or multi-way stop control on all approaches. Given geometric concerns and heavy truck activity, traffic signal control is not a viable option. The base design concept assumes that the City of Boston has all of the right of way necessary to make these improvements. Approvals are required from BTDA and PIC. A neighborhood review process is also anticipated.

Within the easterly section the plan developed looks to increase capacity at the intersection by splitting the function of the overall intersection with the elimination of the westbound Neptune movement between the Route 1A NB ramps and Bennington Street. All traffic from the ramp (except the U-turn to Route 1A SB) and from Frankfort Street would be directed to Vienna Road and then allowed to access Bennington Street northbound and southbound via a new traffic signal and median break. Removal of the westbound movement from the Bennington Street intersection will allow increased time for the Bennington Street southbound phase, accommodating both the existing demand and the redirected movement from the closed link. The base design concept assumes that the City of Boston has all of the right of way necessary to make these improvements. Approvals are required from BTDA, PIC, MassDOT and MassPort. A neighborhood review process is also anticipated.

Item 6 - Route 1A SB at Curtis Street

A proposal to realign Route 1A SB has been developed in response to the request for improvements to this intersection. The realignment is intended to create an “exit” from Route 1A SB to the Curtis Street area rather than the wide pavement area that currently exists. The relocation would be into a grass and tree area within the Route 1A median and provide for two continuous lanes for the southbound through movement. An island would be created within the current paved area of the exiting movement and through movement. Movement from the newly created ramp would intersect with the Curtis Street movement under single or multi-way stop control (to be evaluated) and the movement from the Curtis Street corridor onto Route 1A southbound would be in a free-flow condition to the third lane available south of the interchange area. The base design concept assumes that all work will be completed within the State Highway layout and that no right of way acquisition is necessary to make these improvements. This work is subject to the approval of MassDOT, BTDA and PIC.

Item 7 - Improvements at Boardman Street and Ashley Street

The objective of this intersection improvement is to improve safety for pedestrian travel along the north side of Boardman Street. Ashley Street presently meets Boardman Street from the north at a very flat angle such that the Ashley Street opening is approximately 250 feet wide.

"Squaring up" of the intersection is proposed to significantly narrow the width of this opening. The conceptual plan would realign the northern curb line along Ashley Street to meet Boardman Street at a 90-degree angle closing the Ashley Street opening and shortening the pedestrian crossing to approximately 30 feet. To the west of the new intersection location the curb line would be moved to the south to parallel the Boardman Street travelway. Existing driveways on this segment would be extended to meet Boardman Street. Drainage systems would be redesigned to be compatible with the new street layout and new landscaping would be added. The design concept assumes the City of Boston has all of the right of way necessary to make these improvements. The design will be developed with community input and final design is subject to the approval of the City of Boston.

Item 8 – Contingency Fund

The Developer shall post a bond payable to the City of Boston in the amount of Four Million Five Hundred Thousand Dollars (\$4,500,000.00) which is equal to ten percent (10%) of the costs for all transportation improvements listed in Section II of this Exhibit E, which the City may use to address unforeseen roadway capacity and safety issues. The funds could be used to modify to the above roadway improvements and/or address new locations to the extent that the issues identified may be attributable all or in part to the casino resort project. Funds that have not been expended within six (6) years of the Full Build-Out Operations Commencement Date will be returned to the applicant.

Item 9 - Route 1/Route 16:

The Developer represents and warrants that the Revere HCA provides that the Developer will fund and cause the permitting, design and construction of, in coordination with state and municipal agencies, and in consultation with the City of Revere, intermediate geometric improvements and new signalizations at this interchange.

The improvements are intended to provide missing movements to an important regional highway access point. Under existing conditions, access from Route 1 SB to Route 16 EB and from Route 16 WB to Route 1 NB are not provided, and there is redundant ramp access from Route 16 WB to Route 1 SB provided less than 1,500 feet from the existing interchange, or approximately 600 feet west of Webster Avenue. The proposed build condition would include closure of the Route 16 WB access to Route 1 SB within the existing interchange and a diversion of that movement farther to the west beyond Webster Avenue. The current on/off ramp configuration to and from Route 1 SB would become a four lane off ramp to Route 16 East and west with a median break on Route 16 and installation of a traffic signal. This ramp will provide the opportunity to significantly reduce left lane and left/U-turn congestion at the Route 16/Webster Street intersection. The on-ramp to Route 1 NB from Route 16 WB would be developed with a second Route 16 median break on the easterly side of Route 1 together with construction of a left turn lane. The left turn movement to Route 1 NB would be signal controlled and would tie into the existing EB to NB loop ramp through an open in-field area. Both signals would operate in two phases (Route 16 east and west and the Route 1 SB off at the off-ramp location and the eastbound through and westbound left to Route 1 NB at the second site). Note that there would be no stopping of the westbound through movement at the proposed signal to the northbound on-ramp movement. The interchange work would also include an update the Route 16, Webster Avenue, Garfield Avenue intersection, and pavement area reduction where

acceleration lanes are no longer required. The improvements are subject to the approval of DCR, MassDOT, and cities of Revere and Chelsea.

Item 10 – Route 1/Route 16 Feasibility Study

The Developer represents and warrants that the Revere HCA requires that the Developer will fund a study of Route 1/Route 16 interchange. The study will be in the nature of a long-range plan for the interchange based on a conceptual plan consistent with long range plans for interchange developed in the North Shore Transportation Study by CTPS. The plan is limited to a study of the merits of the design and does not include a full review of the environmental planning process nor final design plans.

Item 11 - Route 16/Revere Beach Parkway/Harris Street Intersection

The Developer represents and warrants that the Revere HCA requires the following work to be completed at this intersection, as follows:

- The design and implementation of an optimal traffic signal timing and phasing plan, including split phasing;
- Construction of two exclusive right turn lanes eastbound onto Revere Beach Parkway;
- Construction of pedestrian safety improvements to allow for safe pedestrian routes from Winthrop Avenue to Revere Beach Parkway in both eastbound and westbound directions, including associated sidewalk reconstruction, curb ramps, crosswalks and median improvements; and
- Installation of an emergency vehicle preemption system.

A series of improvement alternatives have been developed for this location. The common elements of each are the control of the right turn movement from Route 16 East to Winthrop Avenue (Route 145), a widening of this right turn movement from one lane to two lanes, and an associated widening of Route 16 EB to maintain the two-lane through movement toward Mahoney (Bell) Circle. Pedestrian connections will be provided in the intersection area and the traffic signal installation will be upgraded. The alternatives include maintaining Harris Street as a two-way corridor, changing to a one-way away from Winthrop Avenue, one-way to Winthrop Avenue and full closure of Winthrop Avenue at the intersection coupled with construction of a left turn lane on the Mahoney Circle to Route 16 Connector south-westbound. The improvements require City of Revere, DCR and, potentially MassDOT, approval.

Item 12 - Donnelly Square

The Developer represents and warrants that the Revere HCA requires the following work to be completed at this location, as follows:

- Design and implementation of an optimal traffic signal timing and phasing plan, including split phasing, for the weekday morning, weekday evening and Saturday midday peak periods;
- Redesign of the intersection to channelize traffic flow on the intersection approaches;

Construction of permanent pedestrian crosswalks with new ADA accessible ramps at all crosswalks within the Donnelly Square area;
Widening of Winthrop Avenue west of Washburn Avenue to provide for the relocation of the MBTA bus stops in the eastbound and westbound lanes, to accommodate bus turn-in lanes and to provide for two lanes on Winthrop Avenue eastbound;
Construction of aesthetic improvements within the Donnelly Square area, including new pavement markings;
Construction of landscaping improvements within the Donnelly Square area and along Winthrop Avenue leading to the Project entrance at Revere Beach Parkway and Tomasello Drive; and
Installation of an emergency vehicle preemption system.

This signal controlled intersection is adjacent to the MBTA Beachmont Station. The base improvement assumed for this site includes a signal upgrade using concurrent pedestrian crossings, extension of the Bennington Street median to the south to better control the prohibited left turn movement to a retail parking lot, and realignment of the Crescent Street approach to better manage the Bennington Street approach to Winthrop Avenue. City of Revere and MassDOT approval of the intersection work will be required. Approval of the MBTA may also be required.

Item 13 - North Shore Road/Revere Beach Parkway/Tomasello Drive Intersection

The Developer represents and warrants that the Revere HCA requires the following work to be completed at this location, as follows:

Design and implementation of an optimal traffic signal timing and phasing plan at the intersection of North Shore Road and Revere Beach Parkway, including split phasing, to accommodate increased traffic movements associated with the Project;
A study of alternatives for the provision of an exclusive right hand turning lane into the Tomasello Drive entrance to the Project;
Construction of pedestrian safety improvements at the intersection and along Revere Beach Parkway, including traffic median improvements and potential realignment;
and
Installation of an emergency vehicle preemption system.

This intersection will be the secondary access to the Resort. The intersection improvement is limited by a series of environmental concerns west of the intersection and constrained geometry to the north. Improvements under consideration include updating signal operation including concurrent pedestrian crossings, turn lane extensions, minor realignments within the right-of-way, and construction of an island in the southwest quadrant allowing for pedestrian protection. The improvements will require the approval of DCR, MassDOT and the City of Revere.

Item 14 – Mahoney (Bell) Circle

The Developer represents and warrants that the Revere HCA requires the Developer to pay the City of Revere to make improvements to this location as a part of a \$1,270,000 payment (including items 14, 15, and 16). Basic improvements are proposed to address a series of pedestrian crossing issues including the upgrade of ramps and walkways, the addition of pedestrian crossing on the American Legion Highway (Route 60) side of the circle, and upgrades to signing and markings. These improvements are subject to approval of MassDOT and the City of Revere.

Item 15 – Brown Circle

The Developer represents and warrants that the Revere HCA requires the Developer to pay the City of Revere to make improvements to this location as a part of a \$1,270,000 payment (including items 14, 15, and 16). Improvements at the intersection of Routes 60 and 107 include signing and striping, addition of a splitter island on the Broadway side of the traffic circle, and upgrades to sidewalk ramps and pedestrian crossings. These improvements are subject to approval of MassDOT and the City of Revere.

Item 16 – Route 16/Revere Street

The Developer represents and warrants that the Revere HCA requires the Developer to pay the City of Revere to make improvements to this location as a part of a \$1,270,000 payment (including items 14, 15, and 16). General intersection improvements are proposed for this location, including an upgraded vehicle detection system, improved sidewalk ramps and crossings, curbing, median and sidewalk repair, resurfacing and signal upgrades. These improvements are subject to approval of MassDOT and the City of Revere.

Item 17 – Copeland Circle/Route 1

This feasibility study is proposed to be completed in conjunction with item 10 – the long range plan. The study will be in the nature of a long range plan for this segment of roadway based on conceptual plan consistent with long range plans for segment developed in the North Shore Transportation Study by CTPS. The plan is limited to a study of the merits of the design and does not include a full review of the environmental planning process nor final design plans.

Item 23 – Blue Line Access/walkway to Suffolk Downs Station

See Item 30 for additional detail.

Item 24 – Blue Line Access/upgrade sidewalks to Beachmont Station along Winthrop Avenue (Revere)

The Developer represents and warrants that the Revere HCA requires the Developer to upgrade the sidewalks along Winthrop Avenue in Revere. The improvements are subject to the approval of the City of Revere.

Item 25 – Blue Line Access /construct Suffolk Downs Station upgrades

Discussions with the MBTA regarding the specific improvements to be made to Suffolk Downs Station remain preliminary and subject to change. At this point in the negotiation, the proposed improvements consist of the following concepts:

Maintenance Improvements: The proposed improvements include concrete restoration and repair of the existing structure, ramps, stairs, overpass and platform. The existing structure will also be repainted;

Elevators: The proposed improvements include installation of 2 new ADA compliant elevators, together with the associated foundations, structure and improvements;

Turnstiles: The proposed improvements include installation of 3 new turnstiles at the station;

Site Improvements: The proposed improvements include installation of new sidewalks, ramps, railings, lighting, way finding (\$50,000 allowance) and landscaping from the station to the entrance to the Resort. A pedestrian shelter will be provided at the entrance to the Resort.

The Developer shall ensure that should work continue at this MBTA station after the Early Opening Operations Commencement Date, the Developer shall ensure full functionality and a clean and safe environment for patrons with adequate wayfinding signage.

These improvements are subject to the MBTA's approval.

Item 27 – Bus Access – Provide bus stops and shelters on site

The Developer shall provide a bus stop and bus shelter along Tomasello Drive in proximity to the entrance to the Project if and when MBTA bus service is extended to Tomasello Drive. The bus stop and shelter location shall be designated on the final site plan.

Item 29 – Bicycle Access – Provide bike lanes on Bennington Street

These improvements call for a “Constitution Beach to Revere Beach” bicycle connection. Bicycle lanes will be marked along the Bennington Street corridor from Saratoga Street in East Boston to Winthrop Parkway in Revere. The bicycle route will start at the northerly end of Constitution Beach Park, proceed northerly along Barnes Avenue (shared lanes) to Saratoga Street, and follow Saratoga Street easterly to Bennington Street also as a shared lane given width limitations on Saratoga Street over the MBTA Blue Line. From Saratoga, to the Boston/Revere City Line, a five foot minimum bicycle lane will be provided with one lane established for through movement northbound. Parking will generally be permitted along the curb line, except approaching the Bennington Street, Leyden Street Walley Street extended intersection area where two travel lanes will be designated, one for left turns and one for through movement. Within an area from 250 feet south of Leyden Street through Palermo Street, parking will be restricted. Parking restrictions, and/or painted median area or two-way left turn lane (TWLT lane) will be considered from Leverett Avenue to the Boston/Revere City Line. Southbound from the Revere/Boston City Line to the Suffolk Downs T Station parking will be restricted (matching northbound). Southerly from the T Station, one travel lane will be maintained with on

street parking and the bicycle lane to an area between Ashley and Antrim Streets, where lane sharing will be provided to Saratoga Street. Initial plans in Revere would provide for a three lane corridor (one through/right lane in each direction with a two-way center left turn lane) with parking both sides at the curb and five foot minimum turn lanes from the City Line to Crescent Street. From Crescent Street to Winthrop Avenue, lanes would be shared in both directions. From Winthrop Avenue to Winthrop Parkway, one travel lane would be removed, maintaining one travel lane, parking and the bicycle lane. Approvals will be required from the Cities of Boston and Revere, as well as MassDOT and DCR.

Item 31 – Bicycle Parking – provide on-site bike parking

The Developer shall fund and install two Hubway bike-share stations if and when the City extends the Hubway system to East Boston. One Hubway station shall be installed near the entrance to the resort and the second shall be installed near the Suffolk Downs MBTA station. Final locations and designs are subject to review by the City.

III. Additional Off-Site Transportation Improvements, On-Site Transportation Improvements and Transportation Demand Management Measures.

In addition to the aforementioned Forty Five Million Dollars (\$45,000,000) of transportation improvements, the Developer shall also construct the following transportation improvements:

Item	Location or Type	Action(s) ²	Completion Date	Cost
TRAFFIC CONGESTION AND SAFETY-BOSTON				
2	Route 1A Boardman to Jughandle	Perform feasibility study, donate ROW owned by the Developer	Early Opening Transportation Improvement	
PARKING				
18	Daily Parking	Construct on-site structured parking garage	Full Build-Out Transportation Improvement	
19	Special Event Parking	Secure off-site parking or accommodate parking on-site	Early Opening Transportation Improvement	
20	Neighborhood Parking	New and additional signage in East Boston during full terms of construction	Early Opening Transportation Improvement	Estimated at \$15,000
21	Reserve Parking	Identify reserve parking area	Early Opening Transportation Improvement	

² As necessary, these actions are more fully described in the narrative that follows this chart.

22	Bus Parking	Designate bus staging area	Early Opening Transportation Improvement	
ALTERNATIVE MODES				
26	Bus Access	Provide sidewalks along Tomasello	Early Opening Transportation Improvement	
28	Bicycle Access	Provide bike lanes on Tomasello Drive	Early Opening Transportation Improvement	
30	Bicycle Access	Provide connection to site from Bennington Street	Early Opening Transportation Improvement	
32	Water Access	Subsidize water transport	Early Opening Transportation Improvement	
33	Water Access	Operate shuttle bus (provided water shuttle at Maverick is operational)	Early Opening Transportation Improvement	
34	Neighborhood Access	Provide walkway, Waldemar to Target	Early Opening Transportation Improvement	
TRANSPORTATION DEMAND MANAGEMENT				
35	Employee Oriented Strategies	Provide accommodations and incentives	Early Opening Operations Transportation Improvement	
36	Guest Oriented Strategies	Provide accommodations and incentives	Early Opening Operations Transportation Improvement	
37	Scheduling Strategies	Coordinate with City re: Special Events	Early Opening Operations Transportation Improvement	

Narrative Description of Additional Off-Site Transportation Improvements, On-Site Transportation Improvements and Transportation Demand Management Measures.

Item 2 – Route 1A Boardman to Jughandle – planning

The Developer will study in the Draft Environment Impact Report and Expanded Public Notification Form to be filed for the Project the segment of Route 1A to the Jughandle. The study will be in the nature of a long-range plan for this highway segment based on current needs and following on the long range plans for this area developed in the North Shore Transportation

Study by the Central Transportation Planning Staff. The plan is limited to a study of the merits of the design and does not include a full review of the environmental planning process nor final design plans.

Item 18 – Daily Parking – Details to be specified in more detail in the Transportation Access Plan Agreement.

Item 19 – Special Event Parking – Details to be specified in more detail in the Transportation Access Plan Agreement.

Item 20 – Neighborhood Parking – Details to be specified in more detail in the Transportation Access Plan Agreement.

Item 21 – Reserve Parking – Details to be specified in more detail in the Transportation Access Plan Agreement.

Item 22 – Daily Parking – Details to be specified in more detail in the Transportation Access Plan Agreement.

Item 26 – Bus Access – Provide sidewalks along Tomasello

As part of the site development, the Developer shall fund and construct a sidewalk along the entire length of Tomasello Drive to afford pedestrians access to the resort from MBTA bus stops along Route 1A and Winthrop Avenue.

Item 28 – Bicycle Access – Provide bike lanes on Tomasello – see item 30

Item 30 - Bicycle Access – Provide connection to site from Bennington Street

The proposed improvements include construction of a combined 14 foot wide pedestrian/bikeway (approximately 1,300 LF) from the Suffolk Downs Station to the south plaza at the casino entrance (4 foot green strip, 8 foot pedestrian, 2 foot green strip, 6 foot bike path), a 14 foot bikeway (approximately 5,800 LF) from the Resort entrance extending eastward along Tomasello Road to Winthrop Street, and a 14 foot wide bikeway extending from Tomasello Road to the Employee entrance. With respect to a connection to Route 1A, a bikeway can be accommodated in the future if allowed. At the employee entrance, secure, covered storage will be provided for 60 bicycles. At the Resort entrance valet service will be available and a bicycle rack will be provided for patrons.

Item 32 – Water Access – subsidize water transport

The Developer supports the Mayor's vision to enhance water transportation options to East Boston by instituting regular water shuttle service between the South Boston and East Boston waterfronts, and agrees that funding to assist the City in establishing this service will be made out of the Community Impact Trust.

Item 33 – Water Access – operate shuttle bus

As a part its multiple occupancy vehicle strategy, the Developer will expand its current ground shuttle operation to run between the Resort and the several East Boston business districts, area hotels, local cultural and tourist destinations, and regional hubs such as principal MBTA stops on lines that do not easily connect to the Blue Line. It will operate as a connector with the planned water shuttle to the Maverick Square area once that service is running. The shuttle service will also be used to bring employees to and from the Resort. It will also be used in conjunction with Suffolk Downs' proposed guaranteed ride home program, and will operate at all times the resort is open.

Item 34 – Neighborhood Access – Provide walkway, Waldemar to Target

On site improvements at the Resort will include a safe walkway connecting the Waldemar Avenue area with the nearby shopping center that presently hosts a Target retail store. The location of this walkway during construction shall be set forth in more detail in the Construction Management Plan.

Item 35 – Employee Oriented Strategies

In addition to physical roadway, traffic and safety improvements, the Developer is committed to implementing a robust Transportation Demand Management (TDM) program to reduce single-occupancy vehicle (SOV) travel, thereby reducing Project parking demand, traffic congestion, and associated environmental impacts. Equally important, the TDM plan also enhances mobility by alternative modes of transportation by promoting walking, bicycling, ridesharing and transit use. The TDM plan will address the different needs of patrons and employees, and will overlap with other key plan elements including parking demand management and on- and off-site infrastructure improvements and will be subject to BTDA approval. Details of the TDM program will be set forth in the Transportation Access Plan Agreement to be executed between the Developer and the Boston Transportation Department.

Item 36 – Guest Oriented Strategies

In addition to its ground shuttle program that will have regular connections with nearby hotels, businesses, cultural attractions and tourist locations, the Developer will have an on-site transportation coordinator at all times to work with patrons on transportation options. In addition, several of its TDM strategies will also be targeted at assisting patrons in arriving and departing from the resort. Further details of this program will be set forth in the Transportation Access Plan Agreement to be executed between the Developer and the Boston Transportation Department.

Item 37 – Scheduling Strategies

The Developer shall work with the City of Boston to coordinate special events to avoid traffic congestion to the maximum extent possible. Further details of this program will be set forth in the Transportation Access Plan Agreement to be executed between the Developer and the Boston Transportation Department.

Notwithstanding anything to the contrary in this Agreement, to the extent that any of the Early Opening Transportation Improvements set forth in this Exhibit E are not completed by the Early Opening Operations Commencement Date due to events beyond the Developer's control, such as delays in permitting, the Developer may commence Gaming operations at the Project provided that the Developer: (i) continues to undertake best efforts to diligently complete any such Early Opening Transportation Improvements; (ii) has agreed to such interim measures as the City determines are required in order to mitigate any adverse traffic and transportation impacts resulting from such delay; and (iii) provides the City escrowed funds in the amount of 110% of the estimated cost of the City to complete such Early Opening Transportation Improvements, which funds the City may elect to use to complete such Early Opening Transportation Improvements if the Developer fails to satisfy its obligations hereunder to do so.

EXHIBIT F

Description of the Full Build-Out Component

Caesars Resort at Suffolk Downs is a redevelopment proposed on approximately 161 acres of land in East Boston and Revere with all major proposed construction occurring in Boston. The main access points to the site are from Route 1A to the west and Tomasello Drive as well as from Winthrop Avenue at the north end of the property. Two mass transit stops on the MBTA Blue Line (Suffolk Downs and Beachmont stations) currently serve the Project site. The property is currently home to Suffolk Downs, which opened in 1935 and remains New England's only operating thoroughbred racetrack.

Caesars Resort at Suffolk Downs provides a unique opportunity to create a world class entertainment complex located minutes from the heart of downtown Boston and Logan International Airport. The Project will be constructed in one continuous phase, although certain portions of the Resort—described as Early Opening below—will open to the public before the Full Build is complete. As described below, the Project program includes two distinct casino gaming areas (referred to herein as Casino Area I and Casino Area II), two hotels, multi-purpose meeting/entertainment space, dedicated structured parking as well as surface parking, fine dining, retail space, and bars.

Full Build Project Narrative

In addition to the details set forth in the Early Opening Project Narrative in Exhibit D, the Full Build project will include the following. The main entrance of Casino Area II will be centered on the crescent-shaped luxury hotel (i.e., Hotel I), with a lower-story façade that will provide a clear visual connection to the interior of the building; terrace dining will support an urban, pedestrian-friendly environment along the access drive. A glass canopy and porte-cochere (i.e., covered entrance) will accommodate drop-off and valet services for guest vehicles and bicycles below-grade.

The main entrance leading directly to the gaming floor of Casino Area II will be flanked by restaurants and the hotel lobby. A feature bar and table gaming area will command the center of Casino Area II and will be the main focal point. The feature bar will have a direct visual connection from the main entrance lobby to the south, and from the north escalators leading to the parking garage.

Access to a multi-purpose conference and entertainment space will be provided off the main entry lobby with a grand open stair and escalators. The two-story pre-function lobby will spatially connect function areas with the retail and gaming floor below. In addition, outdoor terraces at the second level will lead to a greenhouse which will provide fresh produce for year-round use in the restaurants. Service access to Casino Area II will be provided through a double-bay loading dock and mechanical area northwest of the gaming floor.

A northern entrance to Casino Area II will provide pedestrian access from a detached seven-story parking garage. In addition to the on-grade access, an enclosed pedestrian bridge from the garage will lead to a mezzanine level connecting to the gaming level of Casino Area II with open stair and escalators. At ground level adjacent to the north entrance of Casino Area II,

a glass pavilion (“winter garden”) will connect with Casino Area I, creating a primary gathering area; this will be the drop-off point for dedicated charter buses and shuttles from Logan Airport and other major tourist or travel venues in Boston as well as from the MBTA Suffolk Downs Station.

The approximately 300-room, nine-story luxury hotel will feature breathtaking views of Boston and the Massachusetts Bay seacoast. On the second floor, guestrooms are being designed to complement the spa interior and provide a unique experience for hotel guests. On the all-suite penthouse level, large villas will anchor each end of the plan. The second hotel, which will be 12 stories and have approximately 150 rooms, will similarly feature spectacular views. Guest rooms will also be designed to provide unique guest experiences.

The Full Build-Out Component includes the items shown on the Site Plan attached hereto at Exhibit A, including, without limitation, the following:

Two distinct Gaming Areas providing approximately between 150,000 and 250,000 square feet of gaming space with between 4,000 and 6,600 gaming positions (consisting of an evolving combination of slot machines and table games);

1. A World Series of Poker™ room or rooms;
2. Two luxury hotels providing up to a maximum of 450 rooms;
3. Between 24,000 and 46,000 square feet of meeting and entertainment space;
4. Bars, nightclubs, and between 10 and 17 restaurants, including fine dining concepts, casual dining and a local marketplace, all of which containing between 1,700 and 2,600 seats;
5. Up to 30,000 square feet of retail space, including a spa;
6. Thoroughbred horse racing and simulcast wagering;
7. A seven-story parking garage with up to approximately 2,600 spaces, valet parking area for an additional up to approximately 460 cars, and up to approximately 2,100 surface parking spaces; and
8. A central utility plant.

EXHIBIT G

Legal Description of Property

A certain parcel of land situated in the Cities of Boston and Revere, County of Suffolk, Commonwealth of Massachusetts, commonly known as Suffolk Downs, shown on a plan entitled "Plan of Land in Boston and Revere" prepared by Rizzo Associates dated December 10, 1996, revised January 23, 1997 and recorded with Suffolk County Registry of Deeds in Book 21541, Page 247.

The above-described parcel includes the following Registered Land, more particularly described in Certificate of Title No. 112122:

A certain parcel of land situated in that part of Boston, called East Boston in the County of Suffolk and Commonwealth of Massachusetts, situated on Waldemar Avenue. Said land is shown as Lots One (1) through Twenty-One (21) as shown on plan drawn by B.C. & J.J. Gallo, Civil Engineers, dated June 4, 1951, and September 18, 1953, as modified and approved by the Court, filed in the Land Registration Office as Plan No. 23113-A, a copy of a portion of which is filed with Certificate of Title No. 57352.

Excepting therefrom so much of the land shown as Parcels A-1(1) and A-1(2) on a Plan entitled "Plan of Land in Revere Massachusetts (Suffolk County)" dated November 25, 2002, last revised February 26, 2003, drawn by BSC Group and recorded with Suffolk County Registry of Deeds in Book 31003, Page 26, which parcels were conveyed to Revere Diner Realty LLC by Deed dated March 21, 2003 and recorded in Book 31003, Page 26.

Also, excepting therefrom so much of the land shown as Parcels C-4(1) and C-4(2)(Z) on a plan entitled "Plan of Land in Revere, Massachusetts (Suffolk County)" by BSC Group, dated March 30, 2005 and recorded with Suffolk County Registry of Deeds in Book 2005, Page 395, which parcels were conveyed to the City of Revere by deed dated October 4, 2005 and recorded in Book 38463, Page 300.

EXHIBIT H

Sustainability Provisions

1. Notwithstanding the requirements in the Act, (a) the Project, which shall mean each component thereof, shall be constructed to achieve and the Developer shall obtain LEED Gold for New Construction certification under the applicable LEED standard ("LEED Standards") within nine (9) months after the completion of construction of each component of the Project, and (b) within eighteen (18) months after the Early Opening Operations Commencement Date for the Early Operations Component and within eighteen (18) months after the Full Build-Out Operations Commencement Date for the Full Build-Out Component, the Developer shall go through the process and obtain LEED Gold for Existing Buildings certification using the LEED Standards for each component of the Project in the Early Operations Component and Full Build-Out Component, respectively. After receipt of the initial certification, the Project or applicable component thereof shall be subject to review and recertification for LEED Gold for Existing Buildings, pursuant to the LEED standards and procedures then in effect.

2. The Developer agrees that not more than forty percent (40%) of the total square footage of the Property will be either impervious area or pervious areas used for parking or vehicle ways or drives. This will result in the addition of approximately sixteen (16) acres of open space at the Property as well as a reduction of approximately twelve (12) acres of impervious pavement that currently exists at the Property. The increase in open space and pervious surfaces and decrease in impervious surfaces is expected to restore the Property's marsh-like ecology, increase infiltration and provide a natural barrier during storm events.

3. The Developer shall ensure compliance by itself, its Authorized Representatives and its customers and invitees of the Massachusetts statutory provisions regarding engine idling contained in M.G.L. c. 90, § 16A. In the event that the City determines, in its sole discretion, to enforce this provision, the Parties will discuss the means of implementing such enforcement including any requisite reimbursement to the City for all of the City's costs of enforcement.

4. The Developer will use best efforts to obtain as much food consumed at the Property (including, without limitation, prepared foods, raw products and finish products) from local producers, suppliers and distributors, meaning food products from vendors within the Commonwealth with particular emphasis on those producers, suppliers and distributors within the City.

5. In order to protect the community, during the design and operation of the Project, the Developer will address sea level rise and storm surges in accordance with all applicable Governmental Requirements of the Massachusetts Executive Office of Energy and Environmental Affairs (including, without limitation, its Climate Change Adaption Report, as the same may be supplemented and amended), the BRA, the City's Conservation Commission and other applicable Governmental Authorities. At a minimum, the Developer will develop a landscape and topography that responds to rise in sea level by elevating buildings, critical mechanical and electrical equipment, roadways and access points to create a safe haven for the community.

6. The Project will promote a diverse typology of open space that ranges from active pedestrian plazas to passive ecological parks offering a variety of amenities for public use and enjoyment.

7. The Project will connect neighborhoods and ecosystems by connecting the neighborhood and visitors to the Project and its surroundings through a network of pedestrian walkways, bikeways, parks and open spaces located on the Property that are accessible twenty-four (24) hours per day. The design aims to promote pedestrian circulation and create a unique arrival sequence and visitor experience that embraces the marsh-like setting of the Property and a landscape for the Project which is outwardly focused.

8. The Project will develop an innovative green infrastructure and pursue sustainable systems by using the landscape to purify storm water, improving the quality of the existing soils, providing opportunities for environmental education and creating a cherished and elegant landscape.

9. The Project will include a landscape that utilizes, to the greatest extent possible, native plant material and also is low in maintenance and irrigation needs.

10. The Project will reduce urban heat islands by, among other things, including a series of planted bio swales along the parking bays to collect stormwater along with shaded walkways that provide connections to public spaces and buildings. In addition, all surface parking lots constructed by the Developer shall be constructed in a manner consistent with the future installation of solar arrays.

11. The roof of the new Casino building will feature an approximately five thousand (5,000) square foot greenhouse filled with a hydroponic planting system. This system will produce fresh vegetables and fruits year round for all the restaurants in the Project thereby limiting delivery trucks on area roadways.

12. The Developer will use best efforts to utilize a balanced cut and fill soil strategy across the Property. Parking areas will be organized and graded so that they may be used as sites for future development, and the landscape on the Property will connect with the overall East Boston Greenway system.

13. The Project will include strategies for water conservation to capture rainwater from the building roofs for reuse, incorporating low flow fixtures technologies and selecting drought resistant plantings. One hundred percent (100%) of rainwater from the building roofs and approximately fifty percent (50%) of rainwater from garage improvements will be recovered and directed towards three (3) subterranean tanks located outside the structures. The rainwater captured in these tanks will be used for site irrigation, maintenance of the thoroughbred racing track, and air conditioning system coolant water, resulting in a savings of over three (3) million gallons of potable water annually. Building water usage will be reduced by approximately thirty-five percent (35%) from the baseline set forth in the LEED Standards, resulting in a reduction of over four (4) million gallons of potable water annually. By using drought resistant plantings, use of potable water for irrigation will be reduced by up to fifty percent (50%) from the baseline set forth in the LEED Standards.

14. The Project will be designed to reduce annual energy consumption by a minimum of twenty-five percent (25%) from the baseline set forth in the LEED Standards through conservation strategies, efficiency measures, and on-site renewable energy production. Such measures shall include:

- a) The production of over 2.5 megawatts of “carbon free” on-site renewable energy through the use of photovoltaic arrays placed in several locations throughout the Property, which will meet a minimum of ten percent (10%) of the annual electric consumption at the Property;
- b) The heat from engine(s) used to generate electrical power will be used to heat water for use at the Property, which is more sustainable and reduces carbon dioxide emissions than using electricity supplied through the grid or natural gas;
- c) Space heating, cooling and ventilation will be done through the use of less restrictive ventilation ducts, high efficiency fans, and computer-controlled distribution;
- d) Using natural lighting throughout the facility, including in Gaming Areas to allow the lighting control system (which uses photocells, occupancy sensors and other systems) to dim and shut off artificial lights when they are not needed;
- e) The interior and exterior lighting systems of the buildings will employ high efficiency fixtures;
- f) Heating and cooling will be generated through the use of high efficiency systems that perform substantially better than what is required by the building code;
- g) Installation on all new Project improvements (other than the grandstand/clubhouse improvements) of high performance low-e glazing paired with enhanced thermal performance wall and roof assemblies, and in connection with grandstand/clubhouse improvements, the use of low-e glazing on all new glass installation;
- h) Hotel guestrooms with smart controllers that shut off lighting and reduce heating and air conditioning of guestrooms when guests are not present;
- i) Energy recovery devices will be used to precondition incoming air by recovering energy from exhaust air leaving the building;
- j) Outside air, when cool enough, will be used instead of air conditioning to cool the buildings;
- k) Energy consuming systems will be monitored and tracked using an advanced building management system and metering, allowing the Developer to analyze and reduce energy consumption over time by identifying areas of high energy consumption for targeted reductions; and

l) Installation and use of food-only compactors in coordination with an organic waste collection and recycling program to be administered with a third party anaerobic processing company.

15. The Developer will use best efforts to construct the Project in a manner that will reduce or eliminate bird strikes, particularly with respect to the glass used in the Project.

16. To encourage employees to bike, walk or use other forms of alternative transportation, the Developer shall provide secure bicycle storage areas, showers and changing rooms for employees.

17. The Developer, in consultation with the City, BRA and Boston Transportation Department to implement programs to significantly increase the percentage of its customers, visitors and employees that arrive and depart from the Project via some form of transportation other than single-occupancy vehicles. The Developer shall provide financial incentives and/or alternative transportation options, as needed, to its employees and patrons in support of this obligation.

EXHIBIT I-1

Developer's Quality Job Creation and Employment Commitments

The Developer shall impose a local hiring program for both construction and permanent jobs at the Project that will include the following components:

Construction Jobs:

Host and maintain a central job bank website (in English and Spanish) as a micro-site within the larger Project website.

The Developer shall demonstrate to the Gaming Accountability Office its efforts to provide construction employment opportunities to City residents and in particular East Boston residents.

The Developer will utilize best efforts to use the existing labor force in the Commonwealth, and in particular the existing labor force in the City, when hiring for new construction jobs, as required by Section 18(17) of the Act.

During the Term of this Agreement, the Developer will hold job fairs at the Property to make City residents aware of job opportunities available at the Project.

In furtherance of specific goals for the utilization of minorities, women and veterans on construction jobs, the Developer shall send to each labor union or representative of workers with which the Developer has a collective bargaining agreement or other contract or understanding, a notice advising the labor union or workers' representative of the Developer's commitments, as required by Section 15 of the Act.

Permanent Jobs:

Establish, fund and maintain human resource hiring and training practices that promote the development of a skilled and diverse workforce and access to promotion opportunities through a workforce training program that: (i) establishes transparent career paths with measurable criteria within the gaming establishment that lead to increased responsibility and higher pay grades that are designed to allow employees to pursue career advancement and promotion; (ii) provides employee access to additional resources, such as tuition reimbursement or stipend policies, to enable employees to acquire the education or job training needed to advance career paths based on increased responsibility and pay grades; and (iii) establishes a program or partnership to provide off-site child day-care, all as required by Section 18(9) of the Act.

Host and maintain a central job bank website (in English and Spanish) as a micro-site within the larger Project website.

The Developer will provide City residents with advance notice of hiring activities by publishing announcements in local newspapers approximately four (4) to eight (8) consecutive weeks prior to initial hirings.

Residents of Boston (together with residents of host and surrounding communities (as defined in the Act)) will be given first priority to apply for jobs during a specified "advance period," such advance period to be established jointly by the Developer and the Gaming Accountability Office.

Written flyers in English and Spanish will be distributed to local community-based organizations in East Boston to inform people about local advance period hiring and the Developer shall use best efforts to otherwise notify residents in the low income neighborhoods in East Boston proximate to the Project of potential job opportunities.

The Developer will donate a minimum of twenty-five (25) computers to be placed in strategic areas in East Boston neighborhoods (e.g. local libraries or community centers) as well as install and maintain a minimum of two (2) computers on-site to ensure that residents without computers can research and apply online for jobs at the Project.

During the Term of this Agreement, the Developer will hold job fairs at the Property to make City residents aware of job opportunities available at the Project.

The Developer will utilize best efforts to use the existing labor force in the Commonwealth, and in particular the existing labor force in the City, when hiring for new jobs, as required by Section 18(17) of the Act.

The Developer will make best efforts to ensure that fifty percent (50%) permanent employees at the Project are City residents, of which a substantial percentage should be from the East Boston community, all as more particularly set forth in the Agreement.

In furtherance of specific goals for the utilization of minorities, women and veterans permanent jobs, the Developer shall send to each labor union or representative of workers with which the Developer has a collective bargaining agreement or other contract or understanding, a notice advising the labor union or workers' representative of the Developer's commitments.

During the Term of this Agreement, the Developer shall use best efforts to work with the City's Public Schools Department to establish school to work programs for hospitality jobs at the City's vocational or public high schools.

During the Term of this Agreement, the Developer shall support the efforts of and actively engage with the Commission and community colleges to develop the Massachusetts Community College Workforce Training Institute and Massachusetts Casino Careers Training Institute at community colleges in the Commonwealth, particularly those within the City.

During the Term of this Agreement, upon request by the Gaming Accountability Office, the Developer shall provide the Gaming Accountability Office with information regarding its contracts with organized labor, including hospitality services, the number of employees employed at the gaming establishment, including detailed information on the pay rate and benefits for employees and contractors, and the Developer's plans to ensure labor harmony during all phases of the construction, reconstruction, renovation, development and operation of the gaming establishment.

Consistent with the corporate policy of the Developer to provide equal opportunity for all applicants and employees, the Developer will not discriminate on the basis of race, color, religion, sex, national origin, age, disability, sexual orientation, gender identity or expression, or veteran status. This policy applies to all areas of employment including recruitment, hiring, training, promotion, compensation, benefits, transfers and social and recreational programs.

The Developer shall implement a training and development program for permanent jobs at the Project that will include the following components:

Provide opportunities for team members to pursue personal and professional growth, to enjoy satisfying careers, to participate in training and development programs and to celebrate success including rewards and recognition for superior performance against measurable goals.

Provide new employees with learning programs such as the "Empire Series." The Empire Series is Operator's best-in-class and award winning learning program for all new employees. This program offers a lively and engaging environment that uses cutting-edge technology. In addition to such learning program, the Developer shall provide specialized training courses customized to meet employee learning needs.

If a position requires serving alcoholic beverages, authorizing complimentary alcoholic beverages, or managing a food and beverage operation, that employee must obtain an alcohol awareness certification card. All table games employees, valet attendants, limo drivers and security team members must also possess this certification.

Provide an educational assistance program that reimburses employees ninety percent (90%) of tuition costs up to a maximum of \$3,000 per year for pre-approved undergraduate classes or up to a maximum of \$4,000 per year for pre-approved graduate study at an accredited college or university.

Provide regulatory and compliance training such as Skillsoft, which is Operator's online learning platform used to deliver all regulatory and compliance training in addition to numerous professional development courses.

Implement the Caesars Code of Commitment, which includes a commitment to all employees to treat them with respect and provide satisfying career opportunities to invest in employees by providing excellent pay and valuable benefits, including health insurance and a retirement plan, and to share financial success through bonuses for

frontline employees, to encourage professional and personal growth through tuition reimbursement, on-the-job training, career development, and promotion from within, to actively seek and respond to employee opinions on all aspects of their jobs, from the quality of their supervisors to the quality of the casinos, and to value employees from every possible background, and who approach issues and problems from different perspectives.

Developer's obligations hereunder shall be subject to and consistent with the Operational Limitations.

EXHIBIT I-2

BOSTON RESIDENTS CONSTRUCTION EMPLOYMENT PLAN FOR SUFFOLK DOWNS RESORT CASINO PROJECT 525 WILLIAM F. McCLELLAN HIGHWAY, EAST BOSTON

WHEREAS, [_____] a _____, having an address c/o Suffolk Sterling Racecourse, LLC, 525 William F. McClellan Highway, East Boston, Massachusetts 02128 (the “**Developer**”), and the **BOSTON REDEVELOPMENT AUTHORITY** (the “**Authority**”), a public body corporate and politic, and the **BOSTON EMPLOYMENT COMMISSION** (the “**Commission**”) desire to bring the construction employment benefits of the Project, as hereinafter described, to residents of the City of Boston, minorities, women and veterans;

WHEREAS, Chapter 30 of the City of Boston Ordinances of 1983 established the Boston Residents Jobs Policy;

WHEREAS, the Mayor of the City of Boston signed an Executive Order on July 12, 1985, entitled “Extending The Boston Residents Jobs Policy” (the “**Jobs Policy Executive Order**”) and on July 25, 1985, the Authority by vote adopted as policy the standards set forth in the Jobs Policy Executive Order;

WHEREAS, the Commission has been established by Chapter 12 of the City of Boston Ordinances of 1986, as amended by Chapter 17 of the Ordinances of 1986 (collectively, the “**Ordinance**”), in part to foster these goals and to see that they are realized, a copy of which is annexed hereto as **Exhibit A** and incorporated herein;

WHEREAS, pursuant to the terms of a Host Community Agreement dated as of _____, 2013 by and between the City of Boston and the Developer (“**HCA**”), which HCA was entered into as a condition of compliance with the terms of M.G.L. c. 23K, as the same may be amended from time to time (together with any rules, regulations, policies, and guidance promulgated thereunder, the “**Act**”), the Developer was required to provide certain construction job opportunities to residents of the City of Boston, minorities, women and veterans as required by the Act and the HCA; and

WHEREAS, the Cooperation Agreement between the Developer and the Authority pertaining to the Project, of even date herewith, requires the Developer to prepare and submit and the Authority to approve a Boston Residents Construction Employment Plan with specific provisions as required by the Act and the HCA.

NOW, THEREFORE, the Developer, the Authority and the Commission do hereby agree that the Boston Residents Construction Employment Plan for the Project (the “**Plan**”), which has

been approved by the Commission and the Authority and shall take effect as a binding obligation upon the parties hereto, shall be as follows:

Section 1: DEFINITIONS

As used in this Plan, the following terms shall have the meanings set forth below. Capitalized terms used in this Plan without definition which are defined in the Ordinance or the Commission's regulations shall have the meanings ascribed to them in the Ordinance or in the Commission's regulations, a copy of which has been delivered to the Developer.

1.1 Boston Residents Construction Employment Standards with Special Provisions Applicable to Gaming Establishments ("Boston Residents Construction Employment Standards"): The standards established pursuant to the Ordinance, the Jobs Policy Executive Order, and the Act specifically:

- 1) at least fifty percent (50%) of the total employee work hours in each trade shall be by *bona fide* Boston residents and in particular, residents of East Boston in accordance with the Ordinance and the Act;
- 2) at least twenty-five percent (25%) of the total employee work hours in each trade shall be by minorities in accordance with the Ordinance and the Act; and
- 3) at least ten percent (10%) of the total employee work hours in each trade shall be by women and veterans in accordance with the Ordinance and the Act.

1.2 Contractor: Any general contractor or construction manager for the Project engaged from time to time by the Developer, and, where the context requires, any subcontractor thereto.

1.3 Days: For the purpose of this Plan, the word "days" shall mean business days in Suffolk County, Massachusetts.

1.4 On-Site Monitor: An individual or individuals employed by the Contractor whose responsibility will be (i) to serve as compliance officer for the purpose of monitoring the performance of the Project with respect to the Boston Residents Construction Employment Standards, and (ii) the day-to-day implementation of this Plan. As used in Paragraphs 3.5 and 3.6, the phrase "**On-Site Monitor**" shall also include the individual designated by each subcontractor to serve as its compliance officer for the purpose of monitoring the performance of the Project with respect to the Boston Residents Construction Employment Standards. The On-Site Monitor may also perform other, unrelated duties for the Contractor or Subcontractor.

1.5 Project: The Developer proposes to construct a resort-style destination gaming establishment on the Property consisting of (i) two distinct gaming areas providing between 150,000 and 250,000 square feet of gaming space with between 4,000 to 6,600 gaming positions (consisting of an evolving combination of slot machines and table games), (ii) a World Series of Poker™ room or rooms, (iii) two luxury hotels providing a total of 450 rooms, (iv) between 24,000 and 46,000 square feet of meeting and

entertainment space, (v) bars, nightclubs and between 10 and 17 restaurants, including fine dining concepts, casual dining and a local marketplace, collectively containing between 1,700 and 2,600 seats, (vi) up to 30,000 square feet of retail space, including a spa, (vii) thoroughbred horse racing and simulcast wagering, (viii) a seven-story parking garage with up to 2,600 spaces, (ix) valet parking area for up to 460 additional vehicles, (x) up to approximately 2,100 surface parking spaces, (xi) a central utility plant, and (xii) other amenities and uses customarily accessory or ancillary to the foregoing

Section II: GENERAL REQUIREMENTS

- 2.1 The Developer shall use Best Efforts, as set forth in this Plan, to ensure that the Boston Residents Construction Employment Standards are met by Contractor and any subcontractor of Contractor in constructing the Project. The Developer shall host job fairs at the Project site, maintain an on-line central job bank noting available construction jobs in both in Spanish and English, and otherwise undertake outreach to notify the community, especially the East Boston residents, of construction job opportunities at the Project. The Developer shall provide evidence of such efforts to the Commission and the Gaming Accountability Office as required by this Agreement and the HCA.
- 2.2 The Developer shall incorporate into its construction contract with Contractor, and shall require Contractor to incorporate into each of its subcontracts, provisions requiring that Contractor and each subcontractor engaged in construction in connection with the Project comply with the Boston Residents Construction Employment Standards and this Plan. In furtherance of specific goals for the utilization of minorities, women and veterans on construction jobs, the Developer shall send to each labor union working on the Project a notice advising said unions of the Developer's obligations under this Agreement and the HCA. The Authority, the Commission or the Gaming Accountability Office may also direct the Developer in writing to enforce such provisions. The incorporation by reference of this Plan into any such construction contract or subcontract shall satisfy such obligation.
- 2.3 The Developer shall require that the Contractor designate an On-Site Monitor and that each subcontractor designate an individual to serve as the compliance officer for the purposes of monitoring the performance of the Project with respect to the Boston Residents Construction Employment Standards.
- 2.4 Documentation of the Developer's compliance herewith shall be maintained by the Developer; documentation of Contractor's and subcontractors' compliance herewith shall be maintained by the On-Site Monitor. The Developer shall provide copies of documentation maintained by it, and that maintained by the On-Site Monitor, to the Commission, as required herein or as requested from time to time by the Authority, the Commission or the Gaming Accountability Office.
- 2.5 The Developer shall cause Contractor to prepare a projection of work force needs over the course of construction and to complete a Projected Work Force Form in the form attached hereto as **Exhibit B** and incorporated herein by reference. Contractor shall

update such projection periodically during the course of construction, but shall not be required to do so more frequently than quarterly, except when required by the Commission based on reviews of the Project's percentage of completion as set forth in Paragraph 2.6. The Developer shall submit such projections to the Commission upon request.

- 2.6 The Commission, pursuant to its regulations, shall make determinations with respect to the Project as to compliance by the Developer and Contractor with the Boston Residents Construction Employment Standards. Such determinations may be made at time intervals as set out in one of the following two schedules, the Commission reserving the right to utilize the schedule which allows more frequent determinations:
- (1) When construction of the Project is 25, 50, 75, and 100 percent complete; "**Percent Complete**" shall be measured by the percentage of the total worker hours expected to be worked on the Project, as set forth in the projection of work force needs shown on the Projected Work Force Form submitted pursuant to Paragraph 2.5. Upon request of the Developer, the Commission shall provide copies of such determinations to the Developer; or
 - (2) Every three (3) months from the date of the commencement of construction of the Project.
- 2.7 The Developer shall maintain, and shall cause Contractor and its subcontractors to maintain, records necessary to ascertain compliance with this Plan for one (1) year after the issuance of a Certificate of Occupancy for all or a portion of the Project.
- 2.8 The Developer shall meet with Contractor no less frequently than weekly throughout the period of construction of the Project to review the Boston Residents Construction Employment Standards. The Developer shall record and maintain the minutes of such meetings and forward copies thereof to the Commission and the Authority within ten (10) days of any such meeting.

Section III: PROCEDURES

- 3.1 The Developer shall furnish to the Authority and the Commission in writing the name, title, business address and telephone number of the person designated as the On-Site Monitor (designated by Contractor) and of the compliance officer so designated by each subcontractor for the Project.
- 3.2 Prior to the start of construction of the Project, representatives of the Developer and Contractor shall meet with a representative of the Commission for the purpose of discussing and agreeing upon the methods and procedures for the implementation of the provisions of this Plan. Such meeting (the "**Pre-Construction Conference**") shall also be attended by subcontractors to Contractor then selected, if any, each of whom shall have been notified by Contractor by mail or facsimile of the time, place, and purpose of such Pre-Construction Conference at least three (3) days in advance thereof.

- 3.3 Prior to the start of construction for the Project, Contractor and each subcontractor to Contractor then selected, if any, shall meet with appropriate representatives of the construction trade unions and the Commission for the purpose of reviewing the Boston Residents Construction Employment Standards and the estimated employment requirements for construction workers over the course of construction of the Project.
- 3.4 Within three (3) days after the employment or assignment of a worker to work on the Project, Contractor and each subcontractor will obtain from each such worker a completed and signed Residency Verification Form in the form attached hereto as **Exhibit C**. Copies of the applicable Residency Verification Form shall be submitted to the Commission together with the Weekly Utilization Report (as defined in Paragraph 3.5) on which such worker's employment is first reported. If Contractor or any subcontractor shall have requested a worker to complete such Residency Verification Form and the worker shall have refused to do so, then in lieu of such Residency Verification Form, Contractor or such subcontractor shall submit a sworn statement to the effect that the worker had been requested to complete and sign such form but refused.
- 3.5 One (1) week following the commencement of construction of the Project, and each week thereafter until the completion of construction of the Project, the On-Site Monitor shall complete and submit to the Commission, for the previous week, Weekly Utilization Reports in the form attached hereto as **Exhibit D**. In lieu of the form attached hereto as **Exhibit D**, the On-Site Monitor may submit payroll records containing the same information as is required on the form attached hereto as **Exhibit D**. The Weekly Utilization Reports or the payroll records described in this Paragraph 3.5, as applicable, may be submitted electronically to the Commission by the On-Site Monitor if acceptable to the Commission.
- 3.6 All persons applying directly to Contractor or any subcontractor for employment in construction of the Project who are not employed by the person or entity to whom or to which application for employment is made shall be referred to the Commission. The On-Site Monitor shall forward in writing to the Commission weekly, the names, home addresses, and telephone numbers of all persons applying directly to the Contractor or any subcontractor for employment in construction of the Project who are not employed by the person or entity to whom or to which application for employment is made. The On-Site Monitor shall also keep a written record of any person who was referred to Contractor or any subcontractor by the Office of Boston Residents Jobs Policy ("**BRJP**") for employment in construction of the Project, but was not hired, and the reasons why any person so referred was not hired. It shall be a sufficient reason for failure to hire any person so applying or referred that employment of such person would not comply with any union security clauses contained in any applicable collective bargaining agreements to which construction of the Project is subject.
- 3.7 Each request for qualified construction workers made by Contractor or any subcontractor to a union hiring hall, business agent or contractor's association shall contain a recitation of the Boston Residents Construction Employment Standards in the form attached hereto

as **Exhibit E** and a request that referrals for construction positions be referred in the same proportion as outlined in the Boston Residents Construction Employment Standards; provided, however, that if at the time of any such labor request the requesting party's work force composition falls short of the Boston Residents Construction Employment Standards in any one or more categories, such labor request shall seek referrals in such proportion among such categories as would be necessary to more fully achieve the proportions set forth in the Boston Residents Construction Employment Standards. In the event that the union hiring hall, business agent or contractor's association to whom or to which such a request has been made fails to fully comply with such request, the requesting party's On-Site Monitor shall request written confirmation from the union hiring hall, business agent or contractor's association that there are insufficient workers in the categories specified in such request then shown on the list of unemployed workers maintained by such union hiring hall, business agent or contractor's association. Copies of any confirmation so obtained shall be submitted promptly to the Commission. Copies of any request for qualified workers made at a time that the requesting party's work force composition falls short of any one or more of the Boston Residents Construction Employment Standards shall be forwarded contemporaneously to the BRJP.

- 3.8 During construction of the Project, representatives of the Commission may visit the Project site periodically during normal working hours, to verify the information in the Weekly Utilization Reports, Residency Verification Forms or other documentation required pursuant to this Agreement. Such representatives shall comply with all safety and site control requirements imposed by the Developer or Contractor.

Section IV: DETERMINATION OF COMPLIANCE

- 4.1 Failure by the Developer, Contractor or any subcontractor, as the case may be, as determined by the Commission at the determination intervals set forth in Section 2.6 hereof, (i) to comply with this Plan and the Boston Residents Construction Employment Standards contained herein, or (ii) to use Best Efforts (as defined in Chapter 12 of the Ordinances of 1986, as amended) in attempting to comply with this Plan, the HCA, the Act, or the Boston Residents Construction Employment Standards, shall constitute noncompliance herewith. Any independent determination by the Commission of noncompliance as herein defined shall be made only after the Commission has held a public hearing upon the issue of such non compliance, notice of which shall have been given in writing to the Developer and Contractor at least thirty (30) days prior to such hearing.

Section V: SANCTIONS/CERTIFICATE OF COMPLIANCE

- 5.1 The Developer and Contractor shall be subject to only such sanctions as are authorized by Section 9 of the Ordinance, the Act, and the HCA, as the case may be.
- 5.2 In recommending or imposing sanctions hereunder, the Authority and the Commission shall comply with all of the terms, provisions, and procedures set forth in the Ordinance, the Act, the HCA, and in Section 4.1 hereof.

- 5.3 Pursuant to and in accordance with the Ordinance, the Developer shall deposit into an escrow account established by the Commission or the Authority an amount in cash or other suitable security equal to the lesser of (i) one tenth of one percent (0.1%) of the total cost of construction of the Project as stated in the building permit application or (ii) \$10,000. Such deposit shall be made not later than issuance of a building permit for the Project. Such deposit shall be held until the Commission has issued a Certificate of Compliance (as hereinafter defined) for the Project indicating that the Developer and Contractor have complied with this Plan or have satisfied any fines recommended by the Commission. Upon issuance of such Certificate of Compliance, such funds (or any remaining portion thereof) will be returned to the Developer. Failure to deposit such sum shall itself be deemed noncompliance and shall be grounds for the imposition of sanctions, subject to the provisions hereof.
- 5.4 All fines recommended by the Commission in accordance with the Ordinance shall be deemed imposed upon the Developer by the Authority in its capacity as the contracting agency within the meaning of the Ordinance.
- 5.5 During the pendency of construction of the Project, the Developer may request from BRJP or counsel to the Commission, written confirmation of the status of the Developer's compliance with the provisions hereof with respect to the Project. Such written confirmation shall be provided as soon as practicable after receipt of such written request. Upon completion of construction of the Project (as evidenced by the final Certificate of Occupancy for the Project), the Commission shall, in accordance with the rules and regulations of the Commission, issue a "Certificate of Compliance" indicating that the Developer and Contractor have complied with this Plan with respect to the Project, and/or have satisfied any fines recommended by the Commission. If such is not the case, then the Commission shall so notify the Developer in writing, specifying the area(s) of noncompliance. Upon the curing of the same, the Commission shall promptly issue a Certificate of Compliance to the Developer with respect to the Project which shall be deemed approval by the Commission.

Section VI: MISCELLANEOUS

- 6.1 The provisions of this Plan are severable, and if any shall be held invalid, unconstitutional, or otherwise unenforceable by any court of competent jurisdiction, the decision of such court shall not invalidate or impair any of the remaining provisions.
- 6.2 This Plan shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.
- 6.3 All notices required or permitted to be given under this Plan shall be in writing, signed by duly authorized officers, and shall be deemed delivered if (i) mailed, postage prepaid, by registered or certified mail, return receipt requested, (ii) delivered by hand, or (iii) sent for overnight delivery by a nationally recognized courier service to the principal office of

the party to which it is directed, which is as follows unless otherwise designated by written notice to the other party:

Authority: Boston Redevelopment Authority
One City Hall Square, 9th Floor
Boston, MA 02201-1007
Attention: Director

with copy to: Boston Redevelopment Authority
One City Hall Square, 9th Floor
Boston MA 02201-1007
Attention: General Counsel

Commission: Boston Employment Commission
43 Hawkins Street
Boston, MA 02114
Attention: Counsel

BRJP: Office of Boston Residents Jobs Policy
43 Hawkins Street
Boston, MA 02114
Attention: Manager

Developer: Suffolk Sterling Racecourse, LLC
525 William F. McClellan Highway
East Boston, MA 02125
Attention: Chair of the Board and COO

With a copy to: DLA Piper LLP
33 Arch Street, 26th Floor
Boston, MA 02110-1447
Attention: Charles A. Baker, III

The Developer shall, upon selection of the Contractor, provide written notice to the Authority of the notice address for the Contractor.

- 6.4 From and after the date of this Plan, any increases in the percentages set forth in the Boston Residents Construction Employment Standards and any changes which serve to broaden the definitions of “Boston Resident” as set forth in the Ordinance shall not be applicable to the Project.
- 6.5 From time to time the Commission may modify the forms of reporting and documentation referred to in this Plan and attached as **Exhibits B, C, D** and **E**. The Developer agrees that upon receipt of written notice from the Commission of any such

modification or revision, the Developer will comply with any reasonable modifications within a reasonable time of receipt of such notice.

- 6.6 The liability of the Developer, and its successors and assigns (including, without limitation, mortgagees) arising hereunder shall be limited solely to its or their interest in the Project. Neither the Developer nor any trustee, beneficiary, partner, member, stockholder, manager, officer, director, agent or employee of the Developer or any of its or their successors and assigns (including, without limitation, mortgagees) shall be personally or individually liable under this Plan, nor shall it or they be answerable or liable beyond the extent of its or their then interests in the Project.
- 6.7 No trustee, beneficiary, partner, member, stockholder, manager, officer, agent or employee of Contractor or any of its successors and assigns shall be personally or individually liable under this Plan, nor shall it or they be answerable or liable beyond the extent of its or their then-interest in the Project.
- 6.8 Section titles of this Plan are for convenience of reference only, and shall be disregarded in construing any provision hereof.
- 6.9 In the case of any inconsistency between the provisions of this Plan, the HCA, the Act, and the Ordinance, or of the provisions of any rules or regulations which may be adopted by the Commission pursuant to the Ordinance, the provisions of the Ordinance shall govern.
- 6.10 This Plan shall be binding upon and enforceable against the successors and assigns of the parties hereto (other than mortgagees of the Project or those claiming through mortgagees of the Project unless said party obtains title to the Project and proceeds with development of the Project), it being understood and agreed that the Developer and its affiliates shall have a right to transfer or assign to another party or parties its or their rights and interests under this Plan and in all or a portion of the Project site.
- 6.11 It is the intention of the parties that the provisions of this Plan may be enforced only by the parties hereto, and that no other person or persons shall be authorized to undertake any action to enforce any provisions hereof without the prior written consent of the parties.
- 6.12 Nothing in this Plan shall be construed as an undertaking by the Developer to construct or complete the Project. If and to the extent that the Project is undertaken by the Developer, the sole obligation of the Developer shall be to fulfill the monetary and other obligations set forth in this Agreement with respect to the Project.

[Signatures on next page]

IN WITNESS WHEREOF, the undersigned have caused this Plan to be executed and delivered this ____ day of _____, 201__.

Approved as to Form:

BOSTON REDEVELOPMENT AUTHORITY

By: _____, Director

General Counsel
Boston Redevelopment Authority

BOSTON EMPLOYMENT COMMISSION

By: _____

Name:

Title:

DEVELOPER, a _____

By: _____

Name: _____

Title:

Attachments to Boston Residents Construction Employment Plan

- Exhibit A: Chapter 12 of the City of Boston Ordinances of 1986, as amended
- Exhibit B: Projected Work Force Form
- Exhibit C: Residency Verification Form
- Exhibit D: Form of Weekly Utilization Report
- Exhibit E: Form of Notice of Boston Residents Construction Employment Standards

Exhibit A
to
Boston Residents Construction Employment Plan

Chapter 12 of the City of Boston Ordinances of 1986, as amended by Chapter 17 of the City of
Boston Ordinances of 1986

COUNCILLOR MEXICO



CITY OF BOSTON

SUBSTITUTION

IN THE YEAR NINETEEN HUNDRED AND EIGHTY SIX

AN ORDINANCE.

ESTABLISHING THE BOSTON EMPLOYMENT COMMISSION

Be it ordained by the City Council of Boston, in accordance with the provisions of Massachusetts General Laws Chapter 43B, Section 13, and any other applicable law, as follows:

1. Preamble: Policy of the City of Boston

2. WHEREAS there is a need to ensure that Boston residents
3. receive maximum benefits from the growing private economy of
4. their city and the economic resurgence of office, hotel,
5. retail, institutional, and unsubsidized residential
6. development, including the permanent jobs which emanate from
7. this economic expansion; and

8. WHEREAS there is unemployment and underemployment in the
9. City of Boston, both among majority and minority residents; and

10. WHEREAS Boston is experiencing a resurgence in its economy
11. that is creating the potential for unprecedented economic
12. opportunity; and

13. WHEREAS Boston has fully established itself as the economic
14. center for the entire New England region and is generating
15. wealth and revenues for people throughout the region; and

16. WHEREAS one principal aspect of a strong and vibrant city
17. is the ability of its breadwinners to gain access to secure
18. jobs that pay a living wage; and

AN ORDINANCE

have historically been underrepresented in the workforce;

WHEREAS an Ordinance establishing the Boston Residents Policy, Ordinances of 1983, Chapter 30, was promulgated to insure that Boston residents, minorities, and women receive preference in projects that have city funds or state or federal funds administered by the city; and

WHEREAS the Mayor issued an Executive Order relating to Boston Residents Jobs Policy, dated July 12, 1985, which established Resident Construction Employment Standards to further ensure employment for Boston residents, minorities, women; and

WHEREAS under the Boston Residents Jobs Policy, Boston residents are enjoying greatly improved access to jobs in downtown construction industry; and

WHEREAS it is the policy of this City government to ensure that all people enjoy fair and open access to employment permanent jobs in the private sector; and

WHEREAS it can be shown that broader cooperation from private sector can produce meaningful employment opportunities for Boston residents who want and need them; and

AN ORDINANCE

1. WHEREAS job placement is contingent upon proper job training
2. and without necessary skills some Boston residents cannot
3. secure permanent jobs; and

4. WHEREAS it is essential to the success of the 1983 Boston
5. Residents Jobs Policy Ordinance and the 1985 Mayor's Executive
6. Order that projects and employment plans be monitored, that
7. findings be made with respect to compliance, and that
8. recommendations for sanctions be determined, and that all th
9. be done in a manner that provides for the due process rights
10. all parties; and

11. WHEREAS it is essential to engender an atmosphere of
12. cooperation between the public and private sectors with resp
13. to permanent jobs for Boston residents, minorities, and wom
14. and

15. WHEREAS the following is declared to be in the public
16. interest; now

17. THEREFORE, be it ordained as follows:

18. SECTION ONE: Definitions

19. For the purposes of this Ordinance, the following
20. definitions shall apply, unless the context otherwise requi

AN ORDINANCE

1. (1) "Best Efforts." Developers and contractors may rely on
2. traditional referral methods in the hiring of journeymen,
3. apprentices, advanced trainees and helpers. Developers and
4. contractors also shall implement affirmative action steps which
5. include the following to the extent that such steps do not
6. conflict with any applicable collective bargaining agreements:

7. As to Contractors:

8. (i) The contractor shall designate and shall require
9. each subcontractor to designate an individual to
10. serve as a compliance officer for the purpose of
11. pursuing the Boston Residents Construction
12. Employment Standards ("Standards").

13. (ii) Prior to the start of construction, the contractor
14. and each subcontractor then selected shall meet
15. with appropriate representatives of the
16. construction trade unions, representatives from the
17. Mayor's Office of Jobs and Community Services, and
18. the awarding or contracting authority for the
19. purpose of reviewing the Standards and the
20. estimated employment requirements for construction

AN ORDINANCE

training programs of the particular trades participating in the Covered Project.

As to Developers:

(x) Developers of Covered Projects shall incorporate in every general construction contract or construction management agreement an enumeration of the Standards and shall impose a responsibility upon any such general contractor or construction manager to take all steps enumerated in clauses (i) - (ix) in Section One (1) and to incorporate such Standards in all subcontracts and impose upon all subcontractors the obligation to take such steps.

(xi) The developer shall meet with the contractor no less frequently than weekly throughout the period of construction of the Covered Project to review the contractor's compliance with such Standards and steps. The developer shall maintain minutes of such meetings and shall forward a copy of such minutes to the Mayor's Office of Jobs and Community Services within ten (10) days of each such meeting.

AN ORDINANCE

activity over the construction period of the Covered Project.

1. (iii) Whenever any person involved in the construction
2. a Covered Project makes a request to a union hiring
3. hall, business agent or contractor's association
4. for qualified construction workers, the request
5. shall ask that those qualified applicants referred
6. for construction positions be referred in the
7. proportions specified in the Boston Resident
8. Construction Employment Standards and shall,
9. further, contain a recitation of such Standards.
10. However, if the requesting party's workforce
11. composition at any time falls short of any one or
12. more of the proportions specified in the Standards,
13. the requesting party shall adjust his or her
14. request so as to seek to more fully achieve the
15. proportions specified in the Standards. If the
16. union hiring hall, business agent or contractor
17. association to whom a request for qualified
18. employees has been made fails to fully comply with
19. such request, the requesting party's compliance
- 20.

AN ORDINANCE

1. officer shall seek written confirmation from the hall, agent or
2. association that there are insufficient employees in the
3. categories specified in the request and that such insufficiency
4. is documented on the unemployed list maintained by the hall,
5. agent or association. Copies of any confirmation so obtained
6. shall be forwarded to the Commission. Copies of any requests
7. for qualified employees made at a time that the requesting
8. party's workforce composition falls short of any one or more
9. such Standards shall be forwarded contemporaneously to the
10. Skills Bank.

11. (iv) All persons applying directly to the Contractor or
12. any subcontractor for employment in construction
13. a Covered Project who are not employed by the party
14. to whom application is made shall be referred by
15. said party to the Mayor's Office of Jobs and
16. Community Services, and a written record of such
17. referral shall be made by said party, a copy of
18. which shall be sent to such Office of Jobs and
19. Community Services.

20. (v) Contractors shall maintain a current file of the

AN ORDINANCE

names, addresses, and telephone numbers of each Boston resident, minority, and woman who has sought employment with respect to a Covered Project, or who was referred to the contractor by the Mayor's Office of Jobs and Community Service but was not hired. The contractor shall maintain a record of the reason any such person was not hired. If the construction of the Covered Project is subject to any union collective bargaining agreements, it shall be deemed a sufficient reason for failure to hire that the applicant for employment was not a union member.

(vi) The contractor shall in a timely manner complete and submit to the Commission a projection of workforce needs over the course of the construction of the Covered Project. Such a submission shall reflect needs by trade for each month of the construction process.

(vii) The contractor shall obtain from each worker employed in the construction of the Covered Project a sworn statement containing the worker's name and place of residence.

AN ORDINANCE

1. (viii) One week following the commencement of construction
2. of the project, and each week thereafter until such
3. work is completed, the contractor shall complete
4. and submit to the Mayor's Office of Jobs and
5. Community Services for the week just ended a report
6. which reflects (a) for each employee, the
7. employee's name, place of residence, race, gender,
8. trade and the total number of worker hours he or
9. she worked, and (b) the total worker hours of its
10. total workforce.

11. (ix) The contractor and each subcontractor shall
12. maintain records reasonably necessary to ascertain
13. compliance with the steps detailed in clauses (i)
14. through (viii) hereof for at least one year after
15. the issuance of a Certificate of Occupancy for the
16. Covered Project. In its review of records of a
17. construction project submitted to demonstrate
18. compliance with these steps, the Commission shall
19. take into consideration any affirmative action
20. outreach programs and affirmative action job



CITY OF BOSTON

IN THE YEAR NINETEEN HUNDRED AND

AN ORDINANCE

AMENDING THE BOSTON EMPLOYMENT COMMISSION

As it ordained by the City Council of Boston, in accordance with the provisions of Massachusetts General Laws Chapter 41B, Section 13, and any other applicable law, as follows:..

1. SECTION ONE: The Ordinance establishing the Boston Employment
2. Commission is hereby amended in section one (v) by striking the last
3. sentence as it appears and inserting the following in place thereof
4. "If the construction of a the Covered Project is subject to any union
5. collective bargaining agreements, it shall be required that the employee
6. complies with any lawful union security clauses contained in such agreement."
7. SECTION TWO: This Ordinance shall take effect upon passage.

8.

9.

10.

11.

12.

In City Council September 10, 1986. Passed.
Approved by the Mayor September 26, 1986.

13.

14.

Attest:

15.

16.

[Signature]
City Clerk

17.

18.

19.

AN ORDINANCE

(xii) The developer shall comply with the escrow deposit requirements of Section Eight hereof.

(2) "Boston Employment Commission", hereinafter "Commission." There shall be in the City a Commission known as the Boston Employment Commission, consisting of seven (7) members, all appointed by the Mayor. The Commission shall have the powers and duties set forth in Section Three herein. The members of the Commission shall be deemed special municipal employees for purposes of Chapter 268A of the Massachusetts General Laws.

(3) "Boston Resident." Any person for whom the principal place where that person normally eats and sleeps and maintains his or her normal personal and household effects is within the city limits of the City of Boston.

(4) "Boston Residents Construction Employment Standards" The standards as contained below:

(i) At least fifty percent (50%) of all Worker-Hour a craft-by-craft basis in Covered Projects shall be worked by Boston Residents;

(ii) At least twenty-five percent (25%) of all

AN ORDINANCE

1. Worker-Hours on a craft-by-craft basis in Covered Projects
2. shall be worked by Minority Persons:

3. (iii) At least ten percent (10%) of all Worker-Hours on a
4. craft-by-craft basis in Covered Projects shall be
5. worked by women.

6. (5) "Boston Resident New Hire Goals" The Commission will
7. determine baseline hiring goals for Boston residents,
8. minorities and women, such determination to be based upon a
9. consideration of:

10. (i) current workforce composition;

11. (ii) the composition of the workforce that is unemployed;

12. (iii) numbers and categories of new job opportunities
13. being created in Boston; and

14. (iv) an examination of employment trends in Boston over
15. the last 5 years.

16. The Commission shall reevaluate annually, and modify if
17. appropriate, such goals based upon the number of permanent
18. full-time equivalent new hires of Boston residents, minorities
19. and women during the previous calendar year.

20. (6) "Covered Projects." All projects, contracts, or

AN ORDINANCE

agreements within the jurisdiction of:

1. (1) the Boston Residents Jobs Policy, Ordinances of
2. 1983, Chapter 30 (hereinafter referred to as "Jobs
3. Ordinance") and for which the contract or agreement
4. is executed after the effective date of this
5. ordinance; and
- 6.
7. (11) any new construction or substantial rehabilitation
8. project in the city to which any partial or full
9. building permit has not already been issued for
10. this specific construction or rehabilitation,
11. dedicated to a retail, restaurant, and/or
12. institutional use as defined in the Boston Zoning
13. Code, which requires approval by the Zoning Board
14. of Appeals and in which it is proposed to erect a
15. structure or structures having a total gross floor
16. area (exclusive of all accessory parking garage
17. space) in excess of one hundred thousand (100,000)
18. square feet or to enlarge or extend a structure or
19. structures so as to increase its (or their) gross
20. floor area (exclusive of all accessory parking

AN ORDINANCE

garage space) by more than one hundred thousand (100,000) square feet or to substantially rehabilitate a structure or structures having, or to have, after rehabilitation, a gross floor area (exclusive of accessory parking garage space) of more than one hundred thousand (100,000) square feet.

(7) "Major Employer." Any corporation, partnership, individual, or institution which employs more than five hundred people to work within the City of Boston.

(8) "Mayor's Office of Jobs and Community Services," hereinafter "OJCS". The agency within the City of Boston government responsible for compiling compliance information in accordance with the Boston Residents Construction Employment Standards and the Minority Business Enterprise/Women's Business Enterprise Programs.

(9) "Minority Business Enterprise" ("MBE") A business organization in which 51% in the aggregate of the beneficial ownership is held by one or more minority persons.

(10) "Womens Business Enterprise" ("WBE") A business organization in which 51% in the aggregate of the beneficial ownership is held by one or more women.

AN ORDINANCE

1. (11) "Minority Person" or "Minority". Any person who is
2. Black, Hispanic, Asian, or Native American, as these terms are
3. defined by the United States Census Bureau.

4. (12) "Permanent Job." Any full-time position, or its
5. equivalent, that an employer would fill year-round and continue
6. to fill indefinitely in a particular location.

7. (13) "Skills Bank." A job screening and referral bank
8. maintained by OJCS, which shall refer residents to available
9. jobs and/or to appropriate training programs, including but not
10. limited to, programs offered at the Hubert Humphrey
11. Occupational Resource Center.

12. (14) "Voluntary Employment Plan." Any plan to promote
13. hiring for jobs in Boston of Boston residents, minorities,
14. and/or women developed by a Major Employer or a group of Major
15. Employers.

16. (15) "Worker-Hours." The sum total of all hours worked
17. all persons performing construction work.

18. SECTION TWO: Scope of Jurisdiction

19. The Commission's jurisdiction shall extend to: (1) Cave
20. Projects and (2) assistance in the formulation and monitoring

AN ORDINANCE

of Voluntary Employment Plans.

SECTION THREE: Powers and Duties

A. Covered Projects

(1) The Commission shall make determinations as to compliance by developers and contractors with the Boston Residents Construction Employment Standards. The Commission shall gather and receive compliance information from OJCS, investigate noncompliance complaints, make compliance determinations and, where appropriate, shall recommend sanctions to the awarding or contracting authority. The Commission may gather compliance information at any time and shall make compliance determinations in phases for each Covered Project in accordance with Sections Five, Six and Seven herein. For projects under construction upon the passage of this ordinance, all existing contracts and agreements shall remain in full force and effect and the provisions of this ordinance shall not otherwise apply.

AN ORDINANCE

1. (2) The Commission shall have the authority to
2. require developers of Covered Projects to submit:
3. (i) detailed plans which show how the developer
4. intends to meet the Boston Residents Construction
5. Employment Standards; and (ii) detailed plans
6. which show how the developer intends to meet
7. MBE/WBE goals contained in or applicable to City
8. contracts.

9. (3) In the review of such detailed plans, the
10. Commission shall consider any affirmative action
11. outreach programs and affirmative action job
12. training programs of the particular trades
13. participating in the Covered Project and
14. participation, if any, of the developer or the
15. contractor in any such program.

16. (4) The Commission shall monitor MBE/WBE goals
17. contained in or applicable to City contracts. The
18. Commission shall receive compliance information
19. from OJCS and shall recommend to the awarding or
20. contracting authority appropriate remedies for

AN ORDINANCE

noncompliance.

(5) The Commission shall monitor Davis-Bacon Act requirements contained in City agency or authority contracts. The Commission shall receive compliance information and shall forward any information concerning apparent noncompliance to appropriate federal agencies.

B. Voluntary Employment Plans

(1) The Commission shall meet with a group of representatives of Major Employers to review voluntary aggregate hiring goals set by said employers.

(2) The Commission shall receive information concerning the success in meeting the voluntary aggregate hiring goals.

The Commission shall encourage a group representing the Major Employers to issue an annual public report on the success of this effort and of voluntary business programs such as Boston Summer Jobs Program, the Boston Compact and BostonWorks

AN ORDINANCE

1. (3) The Commission shall encourage Major Employers
2. to adopt Voluntary Employment Plans, which promote
3. a collaboration between the public and private
4. sectors to expand employment opportunities for
5. Boston residents, minorities and women. The
6. Commission shall encourage Major Employers to
7. incorporate the Boston Resident New Hire Goals in
8. their Voluntary Employment Plans. The Commission
9. shall advise OJCS and other City agencies of the
10. amounts and types of assistance identified by Major
11. Employers as being necessary to achieve the goal
12. included in their Voluntary Employment Plans. Such
13. assistance may include, but is not limited to, job
14. training, adult literacy and referral services.
15. The Commission may conduct surveys to assess the
16. progress made toward hiring goals as to Boston
17. residents, minorities and women.

C. General

18. (1) The Commission shall have the authority to
19. promulgate regulations as to matters within the
20.

AN ORDINANCE

Commission's purview after public notice and hearing and upon majority vote of all members.

(2) The Commission shall cause to be created, in conjunction with the Mayor's Office of Jobs and Community Services, a job training program. Said job training program shall be conducted at the appropriate sites which may include the Hubert Humphrey Occupational Resource Center, or its successor, or other appropriate skills training facilities. The purpose of said training program is to provide skills training to any Boston Resident in order to be fully qualified for entry into existing apprenticeship programs or jobs. Subject to appropriation by the Mayor and the City Council, any fines levied against the escrow fund set out in Section Eight shall be for the benefit of this jobs training program and no other.

SECTION FOUR: Composition

The Commission shall be composed of seven (7) members, all of whom shall be appointed by the Mayor. The Commission shall

AN ORDINANCE

1. be representative of the interests of business, minorities,
2. women, organized labor, Boston Building Trades Council, and the
3. Mayor's Jobs Liaison Committee. Members of the Commission
4. shall have demonstrated commitment to equal employment
5. opportunity. All members of the Commission shall be Boston
6. residents or shall maintain their principal place of business
7. in Boston.

8. (1) Term of Office

9. Commission members shall be appointed to two-year terms,
10. and members shall serve until their successors are duly
11. appointed. If a vacancy on the Commission occurs before a term
12. expires, that vacancy shall be filled by appointment by the
13. Mayor for the balance of the unexpired term.

14. (2) Removal

15. The Mayor may remove a member for just cause by filing a
16. written statement to that effect with the City Clerk. Reason
17. for just cause shall include but not be limited to a pattern
18. nonattendance, lack of residency or employment in the City of
19. Boston, noncompliance with the procedures established under
20. Section Five herein, failure to disclose conflicts of interest

AN ORDINANCE

1. incapacity due to illness, or conviction of a crime. The
2. Mayor's determination that just cause for removal exists shall
3. be conclusive.

4. (3) Chair

5. The Chairperson of the Commission shall be designated by
6. the Mayor and shall serve in that capacity for a term of two
7. years.

8. (4) Quorum

9. In no event shall a quorum be fewer than four members of
10. the Commission.

11. (5) Voting

12. Every vote of the Commission shall require an affirmative
13. vote of no fewer than four (4) members of the Commission.

14. SECTION FIVE: Procedures

15. Actions or determinations under Section Seven, Eight or
16. Nine herein shall be taken or made in accordance with the
17. following administrative procedures:

18. (1) Hearings and Notice to Parties. A party subject to
19. the jurisdiction and recommendation power of the
20. Commission shall be entitled to a hearing and shall

AN ORDINANCE

1. be given at least fourteen (14) calendar days notice of any
2. such hearing directly affecting his or her interests, such
3. notice to be in writing to the party and sent by mail, postage
4. prepaid, first class, to the party's usual place of business.

5. (2) Method. Decisions to recommend sanctioning a party
6. shall require a majority vote of the Commission.
7. The Commission shall adopt procedures, voted by a
8. majority of all members, to establish the time,
9. place, and manner for its members to meet and vote
10. and for making determinations of compliance and
11. recommendations to awarding authorities or
12. agencies. All protections necessary to fulfill
13. due process requirements shall be incorporated in
14. the aforementioned procedures. Such procedures in
15. any revisions to such procedures shall be submitted
16. in writing to the Mayor and OJCS within twenty-one
17. (21) calendar days of their scheduled adoption.

18. (3) Public Meetings. The Commission shall be subject
19. to the requirements of the Massachusetts Open
20. Meetings Law, G.L. c.39, §21A-C.

AN ORDINANCE

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2. Mayor's determination that just cause for removal exists shall
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17. following administrative procedures:

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19. the jurisdiction and recommendation power of the
20. Commission shall be entitled to a hearing and shall

AN ORDINANCE

(4) Records.

The Commission shall keep records of its meetings and shall record no less than the following: the time and place of the meeting; the topic(s) discussed at the meeting; members in attendance at the meeting; any votes taken; and any disclosure of members of conflicts of interest. The Chairperson or his or her designee shall maintain such records in a good and legible condition. The records shall be available for inspection by any member of the public upon reasonable notice.

SECTION SIX. Standards for Compliance

The Commission shall use the Boston Residents Construction Employment Standards to monitor compliance of Covered Projects with this ordinance. A Covered Project shall be deemed to be in compliance if (1) the statistical monitoring data at the relevant determination date, as set forth in Section Seven hereof shows compliance with the Boston Residents Construction Employment Standards; or (2) if the Commission determines that Best Efforts have been made to comply with the Boston Residents

AN ORDINANCE

1. Construction Employment Standards.

2. SECTION SEVEN: Determination of Compliance

3. The Commission shall make determinations as to compliance
4. by developers and contractors of Covered Projects with the
5. Boston Resident Construction Employment Standards at time
6. intervals as set out in one of the following two schedules,
7. whichever allows for more frequent determinations:

8. (1) When the Covered Project is 25, 50, 75 and 100 percent
9. complete, or,

10. (2) Every three months from the date of commencement of
11. the Covered Project.

12. "Percent complete" shall be measured by the percentage of
13. the total worker hours expected to be worked on the project.
14. The Commission shall monitor that percentage and shall include
15. it in its monitoring reports.

16. SECTION EIGHT: Establishment of Escrow Fund

17. An escrow fund shall be established for each project which
18. is a Covered Project, as defined in Section One (6)(ii)
19. herein. Payment into the escrow fund shall be made by the
20. developer when the developer secures permanent financing for

AN ORDINANCE

1. the Covered Project. The developer shall pay into the escrow
2. fund an amount equal to one-tenth of one percent (.1%) of the
3. total construction cost of the project as stated in the
4. building permit application for the Covered Project; provided,
5. however, that if either the developer or contractor has been
6. subject to a determination of noncompliance at more than two
7. determination dates in any prior Covered Project in which the
8. have participated in the preceeding twenty-four months, the
9. amount of the escrow fund required for the Covered Project
10. shall be two-tenths of one percent (.2%) of such construction
11. cost. The developer shall deposit these funds with an escrow
12. agent agreed upon by the parties pursuant to an escrow
13. agreement to which the Commission, the awarding or contracting
14. agency and the developer are parties, who shall hold said funds
15. for the purpose of satisfying any accrued fines levied in
16. relation to a project.

17. The escrow agent, at the time of deposit into the escrow
18. account, shall deduct all fines which have accrued against the
19. fund to that date. There shall be a written escrow agreement
20. detailing the terms under which the escrow funds are held.

AN ORDINANCE

1. Such agreement shall provide, at a minimum, that any demand for
2. payment from the escrow account which is made upon the escrow
3. agent by the awarding or contracting authority shall be made in
4. writing and shall be accompanied by a written statement of the
5. reason for such demand, including any factual findings
6. supporting such reason. The demand shall further instruct the
7. escrow agent that he/she is to take no action on the demand for
8. at least forty-eight (48) hours after receipt. A copy of the
9. demand shall be simultaneously served upon all other parties
10. to the escrow agreement.

11. Interest, if any, accrued by the fund, shall remain in an
12. account and shall become a part of the escrow fund until such time as the fund
13. shall be released. When all necessary permits for the use of
14. the building have been issued to the developer, including but
15. not limited to an occupancy permit and a finding of compliance
16. has been made by the Commission, all monies in the escrow fund
17. including any accrued interest, shall be released and returned
18. to the developer.

19. SECTION NINE: Sanctions

20. The Commission shall have the authority to recommend to the

AN ORDINANCE

1. awarding or contracting agency that sanctions against the
2. developers and contractors of Covered Projects be imposed for
3. noncompliance with the Boston Residents Construction Employment
4. Standards and/or for non-compliance with section Three (A)(2)
5. of this ordinance. The Commission shall recommend the
6. imposition of any or all three of the following sanctions:

7. (1) Fines to a maximum of three hundred dollars
8. (\$300.00) for each violation as determined by the
9. Commission when such developer or contractor was
10. not in compliance, as defined in Section Six, each
11. day of non-compliance to be considered as a
12. separate violation, to be levied
13. against the escrow fund as established by Section
14. Eight herein, provided that fines may still be
15. levied and will still be due if the escrow account
16. is exhausted:

17. (2) Preclusions from the award of municipal contracts
18. and competitions for public development rights for
19. a period of up to three (3) years, provided that
20. this sanction may only be recommended at the

AN ORDINANCE

completion of the Covered Project; or

(3) Sanctions as authorized by the Jobs Ordinance or incorporated in contracts.

The recommendation of sanctions under this section shall not preclude and shall be in addition to any action or sanction authorized by contract or agreement or otherwise authorized by law.

SECTION TEN: Staffing

The Commission shall have staff consistent with the Commission's purpose. The Director of OJCS shall be the Executive Director of the Commission, provided, however, that said Director shall be wholly compensated for his/her duties as Director from the budget of OJCS.

SECTION ELEVEN: Conflicts of Interest

No member shall appear before the Commission or represent any person, firm, corporation or other entity in any matter pending before the Commission. Members shall not participate in a discussion or a decision of the Commission on any matter in which they are directly or indirectly interested in a personal or a financial sense. Any disclosure of conflict of

AN ORDINANCE

1. interest shall be entered into the records of the Commission

2. SECTION TWELVE: Severability

3. The provisions of this ordinance are severable, and if a
4. provision shall be held invalid or unconstitutional by a
5. decision of any court of competent jurisdiction such invalid
6. shall not impair, or otherwise affect, any other provisions
7. this ordinance.

8. SECTION THIRTEEN: Effective Date

9. This ordinance shall take effect 30 days after enactment
10.
11.

In City Council July 30, 1986. Passed.

Approved by the Mayor August 12, 1986.

Attest:



City Clerk

Exhibit B
to
Boston Residents Construction Employment Plan

Projected Work Force Form

BRJP
EMPLOYMENT PLAN
QUARTERLY WORK FORCE PROJECTION TABLE

PROJECT:			
CONTRACTOR:		ADDRESS:	
CONTACT:		PHONE NUMBER:	
QUARTER START DATE:		QUARTER END DATE:	
MONTH			
TRADE:			
TOTAL EMPLOYEES			
RESIDENT EMPLOYEES			
MINORITY EMPLOYEES			
FEMALE EMPLOYEES			
TRADE:			
TOTAL EMPLOYEES			
RESIDENT EMPLOYEES			
MINORITY EMPLOYEES			
FEMALE EMPLOYEES			
TRADE:			
TOTAL EMPLOYEES			
RESIDENT EMPLOYEES			
MINORITY EMPLOYEES			
FEMALE EMPLOYEES			
TRADE:			
TOTAL EMPLOYEES			
RESIDENT EMPLOYEES			
MINORITY EMPLOYEES			
FEMALE EMPLOYEES			
TRADE:			
TOTAL EMPLOYEES			
RESIDENT EMPLOYEES			
MINORITY EMPLOYEES			
FEMALE EMPLOYEES			

COMPANY OFFICIAL'S SIGNATURE: _____ DATE: _____

Exhibit C
to
Boston Residents Construction Employment Plan

Residency Verification Form

Exhibit C

BOSTON RESIDENT VERIFICATION FORM

This form must be submitted to verify the address of all Boston resident employees and to report the change of address for any Boston resident employee while working on this project.

Check if reporting an address change. ☐ Date moved: _____

Project Name: _____

Contractor Name: _____

Employee Name: _____

Address: _____ Race: _____ Sex: _____

City: _____

State & Zip: _____

Phone: _____

Race Codes

A. Asian

B. Black

C. Caucasian

H. Hispanic

O. Other (specify)

☐ Native American

☐ Cape Verdean

Date Arrived on Job Site: _____ Trade: _____

Check if Applicable: ☐ Non-union ☐ Union (Local) ☐ New Hire ☐ Transfer

I hereby state under the pains and penalties of perjury that the foregoing information is true.

Signature of Employee: _____ Date: _____

PLEASE ATTACH A PHOTOCOPY OF ONE OF THE BELOW DOCUMENTS AS PROOF OF RESIDENCY.

_____ Driver's License (current)

_____ Massachusetts Identification Card (current)

_____ Utility Bill (Bill must be less than 6 months old)

Signature of Contractor

or Subcontractor: _____ Date: _____

RACE AND ETHNIC STANDARDS

C) **CAUCASIAN:** A person having origins in any of the original peoples of Europe, North Africa, or the Middle East.

B) **BLACK:** A person having origins in any of the black racial groups of Africa.

H) **HISPANIC:** A person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish/Indian cultural origins. (This category is not to include people of European or Arabic ancestry.)

A) **ASIAN OR PACIFIC ISLANDERS:** A person having origins in any of the original peoples of the Far East, Southeastern Asia, the Indian Subcontinent, or the Pacific Islands. This area includes China, Japan, Korea, the Philippine Islands, Samoa, India, Pakistan, Bangladesh, Sri Lanka, Nepal, Sikhism, and Shulan.

O) **NATIVE AMERICAN OR ALASKAN NATIVE:** A person having origins in any of the original peoples of North America, and who maintain cultural identification through tribal affiliation or community recognition.

O) **CAPE VERDEAN:** A person having origins in any of the original peoples of the Cape Verde Islands.

NOTE: Ethnic classifications are based on section one, (11) of the 1986 Ordinance establishing the Boston Residents Jobs Policy as defined by the U.S. Bureau of the Census and promulgated by the Federal Office of Management and Budget.

AREAS THAT COMPRISE THE CITY OF BOSTON

Allston
Charlestown
Dorchester
Fenway/Kenmore
Jamaica Plain
Mission Hill/Longwood
Roslindale
South End
West Roxbury



Brighton
Chinatown
East Boston
Hyde Park
Mattapan
North End
Roslindale
South Boston
West Roxbury

Revised September 29, 2005

BRJP OFFICE – TRADECODE DESCRIPTION

ASBESTOS WORKER	MASON
ASPHALT RAKER	MASON TENDER
BLASTER	METAL REFINISHER
BRICKLAYER	MILLWRIGHT
CARPENTER	OILER
CARPET LAYERS	PAINTER
CEMENT FINISHER	PILEDRIIVER
CEMENT LABORER	PIPEFITTER
CURBSETTER/PAVER	PIPELAYER
DRILLER	PITCHWORKER
ELECTRICIAN	PLASTERER
ELEVATOR CONSTR. HELPER	PLUMBER
ELEVATOR CONSTRUCTOR	PUMPMAN
EQUIPMENT OPERATOR	ROOFER
FLOOR COVERER	SANDBLASTER
GLAZIER	SHEETMETAL WORKER
GROUNDMAN	SPLICER
HVAC	SPRINKLER FITTER
INSTALLER/APT WIRER	TAPER
INSULATOR	TERRAZZO WORKER
IRON WORKER	TREE SURGEON
LABORER	WATERPROOFER
LINEMAN	WELDER
MARBLE TILE WORKER	WRECKER

If the trade utilized by your company is not listed above, please contact the BRJP Construction Monitor for your project.

43 Hawkins Street • Boston, Massachusetts, 02114
• Phone (617) 918-5460 • Fax (617) 918-5474

For MIS use only:

Project #:

Contractor #:

Project Name:

Project Location:

Contractor Name:

Contractor Address:

Contractor Phone:

Week No.	Week of
----------	---------

to:

Award Department: _____

Projected Completion Date:

General Contractor: _____

Federal Prevailing Wage Contracts Only: _____

Final Weekly: ☐

Exhibit D

RACE CODES:

PLEASE CHECK ONE:

General: ☐

Subcontractor: ☐

☐ Native American

☐ Cape Verdean

[illegible]

Name: _____

Title:

Signature

Date _____

TALLY

Worker Hours

Worker Percentage

	TOTAL	Resident	Minority
1. Age			
a. 18-24	10.0	10.0	10.0
b. 25-34	10.0	10.0	10.0
c. 35-44	10.0	10.0	10.0
d. 45-54	10.0	10.0	10.0
e. 55-64	10.0	10.0	10.0
f. 65+	10.0	10.0	10.0
2. Gender			
a. Male	10.0	10.0	10.0
b. Female	10.0	10.0	10.0
3. Ethnicity			
a. White	10.0	10.0	10.0
b. Black	10.0	10.0	10.0
c. Hispanic	10.0	10.0	10.0
d. Asian	10.0	10.0	10.0
e. Other	10.0	10.0	10.0
4. Marital Status			
a. Married	10.0	10.0	10.0
b. Single	10.0	10.0	10.0
c. Divorced	10.0	10.0	10.0
d. Widowed	10.0	10.0	10.0
5. Income			
a. \$0-\$14,999	10.0	10.0	10.0
b. \$15,000-\$24,999	10.0	10.0	10.0
c. \$25,000-\$34,999	10.0	10.0	10.0
d. \$35,000-\$44,999	10.0	10.0	10.0
e. \$45,000-\$54,999	10.0	10.0	10.0
f. \$55,000-\$64,999	10.0	10.0	10.0
6. Education			
a. Less than High School	10.0	10.0	10.0
b. High School Graduate	10.0	10.0	10.0
c. Some College	10.0	10.0	10.0
d. Bachelor's Degree	10.0	10.0	10.0
e. Master's Degree	10.0	10.0	10.0
f. Doctorate	10.0	10.0	10.0
7. Occupation			
a. Unemployed	10.0	10.0	10.0
b. Service	10.0	10.0	10.0
c. Sales	10.0	10.0	10.0
d. Office	10.0	10.0	10.0
e. Professional	10.0	10.0	10.0
f. Managerial	10.0	10.0	10.0
8. Health Status			
a. Excellent	10.0	10.0	10.0
b. Good	10.0	10.0	10.0
c. Fair	10.0	10.0	10.0
d. Poor	10.0	10.0	10.0
9. Disability			
a. No Disability	10.0	10.0	10.0
b. Disability	10.0	10.0	10.0
10. Home Ownership			
a. Own	10.0	10.0	10.0
b. Rent	10.0	10.0	10.0
11. Transportation			
a. No Vehicle	10.0	10.0	10.0
b. Vehicle	10.0	10.0	10.0
12. Insurance			
a. No Insurance	10.0	10.0	10.0
b. Insurance	10.0	10.0	10.0
13. Other			
a. Other	10.0	10.0	10.0
b. Other	10.0	10.0	10.0
c. Other	10.0	10.0	10.0
d. Other	10.0	10.0	10.0
e. Other	10.0	10.0	10.0
f. Other	10.0	10.0	10.0
14. Other			
a. Other	10.0	10.0	10.0
b. Other	10.0	10.0	10.0
c. Other	10.0	10.0	10.0
d. Other	10.0	10.0	10.0
e. Other	10.0	10.0	10.0
f. Other	10.0	10.0	10.0
15. Other			
a. Other	10.0	10.0	10.0
b. Other	10.0	10.0	10.0
c. Other	10.0	10.0	10.0
d. Other	10.0	10.0	10.0
e. Other	10.0	10.0	10.0
f. Other	10.0	10.0	10.0
16. Other			
a. Other	10.0	10.0	10.0
b. Other	10.0	10.0	10.0
c. Other	10.0	10.0	10.0
d. Other	10.0	10.0	10.0
e. Other	10.0	10.0	10.0
f. Other	10.0	10.0	10.0
17. Other			
a. Other	10.0	10.0	10.0
b. Other	10.0	10.0	10.0
c. Other			

Female

The willful falsification of any of the above statements may subject the contractor or subcontractor to civil or criminal prosecution. See section 1001 of Title 18 and section 231 of Title 31 of the U.S. Code.

Date _____

I, _____, _____, _____ (TITLE)
(NAME OF SIGNATORY PARTY)

do hereby state:

(1) That I pay or supervise the payment of the persons employed by _____

_____ on the _____ (BUILDING OR WORK)
(CONTRACTOR OR SUBCONTRACTOR)

_____ ; that during the payroll period commencing on the _____
day of _____, 19____, and ending the _____ day of _____, 19____

all persons employed on said project have been paid the full weekly wages earned, that
no rebates have been or will be made either directly or indirectly to or on behalf of said

_____ from the full
(contractor or subcontractor)

weekly wages earned by any person and that no deductions have been made either
directly or indirectly from the full wages earned by any person, other than permissible
deductions as defined in Regulations, Part 3 (CFR Subtitle A), issued by the Secretary of
Labor under the Copeland Act, as amended (48 Stat. 948; 63 Stat. 108; 72 Stat. 967; 76
Stat. 357; 40 U.S.C. 276c), and described below:

(2) That any payrolls otherwise under this contract required to be submitted for the
above period are correct and complete; that the wage rates for laborers and mechanics
contained therein are not less than the applicable wage rates contained in any wage
determination incorporated into the contract; that the classifications set forth therein for
each laborer or mechanic conform with the work he performed.

(3) That any apprentices employed in the above period are duly registered in a bona
fide apprenticeship program registered with a State apprenticeship agency recognized by
the Bureau of Apprenticeship and Training, United States Department of Labor, or if no
such recognized agency exists in a State, are registered with the Bureau of Apprenticeship
and Training, United States Department of Labor.

(4) That:
(a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS OR
PROGRAMS

☐ - In addition to the basic hourly wage rates paid to each laborer or mechanic

listed in the above referenced payroll, payments of fringe benefits as
listed in the contract have been or will be made to appropriate programs
for the benefit of such employees, except as noted in Section 4(c) below.

(c) WHERE FRINGE BENEFITS ARE PAID IN CASH

☐ - Each laborer or mechanic listed in the above referenced payroll has been
paid, as indicated on the payroll, an amount not less than the sum of
the applicable basic hourly wage rate plus the amount of the required
fringe benefits as listed in the contract, except as noted in Section 4(c)
below.

(c) EXCEPTIONS

EXCEPTION (CRAFT)	EXPLANATION

REMARKS

NAME AND TITLE	SIGNATURE
THE WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1001 OF TITLE 18 AND SECTION 231 OF TITLE 31 OF THE UNITED STATES CODE.	

Exhibit E
to
Boston Residents Construction Employment Plan

Form of Notice of Boston Residents Construction Employment Standards

APPLICANT DISPOSITION FORM

DATE:	PROJECT NAME:	CONTRACTOR:
APPLICANT NAME:		MIN ___ RES ___ FEM ___ (Please check all that apply)
ADDRESS:		TEL. NO.:
POSITION APPLIED FOR:	<input type="checkbox"/> NON-UNION <input type="checkbox"/> UNION:(PLEASE SPECIFY)	
LIST ALL TRADES EXPERIENCED IN:		
RECRUITMENT SOURCE (PLEASE SPECIFY):		
RESULTS: ____ HIRED ____ NOT HIRED REASON: _____ ____ REFERRED TO UNION: RESULT: _____ ____ REFERRED TO SUBCONTRACTOR ____ HIRED ____ NOT HIRED REASON NOT HIRED: _____		

ALL REFERRALS REQUIRE A FOLLOW-UP PHONE CALL EITHER TO THE LOCAL UNION, THE BOSTON RESIDENTS JOBS POLICY OFFICE AND/OR SUBCONTRACTOR TO WHOM THE REFERRAL WAS MADE TO:

CONTACT PERSON: _____

FOLLOW-UP RESULTS: _____

WORK FORCE REQUEST DOCUMENTATION

PROJECT: _____

Submit this form when requests for new employees are made.

FROM:			
DATE REQUESTED:		DATE REQUIRED:	
LOCAL #:			
REQUEST MADE TO:			
NAME:			
I. REQUEST (S) MADE TO UNION:			
TRADE:			
TOTAL	RESIDENT	MINORITY	FEMALE
TRADE:			
TOTAL	RESIDENT	MINORITY	FEMALE
REQUEST MADE BY:			
NAME:			
II. ACTUAL EMPLOYEE (S) SENT BY UNION:			
TRADE:			
TOTAL	RESIDENT	MINORITY	FEMALE
TRADE:			
TOTAL	RESIDENT	MINORITY	FEMALE

Please note this form should be used for all telephone calls made to your local union representative, when requesting workers. Please have your union follow-up in writing with your request and submit it to the general contractor. Workforce Request Documentation Forms without a follow-up letter will not be considered as a "Best Faith Effort".

EXHIBIT I-3

BOSTON RESIDENTS EMPLOYMENT AGREEMENT

**Suffolk Downs Resort Casino Project
525 William F. McClellan Highway, East Boston, Massachusetts**

This Boston Residents Employment Agreement (“Agreement”) is made as of the ____ day of _____, 2013, by and between the Office of Jobs and Community Services (“JCS”), a division of the Economic Development Industrial Corporation (“EDIC”) and [_____, a _____ [_____]], having an address c/o Suffolk Sterling Racecourse, LLC, 525 William F. McClellan Highway, East Boston, Massachusetts 02128 (the “Developer”).

The Developer is the developer of a project known as the Suffolk Downs Resort Casino Project (the “Development”). The Developer is a party to a Cooperation Agreement, a Development Impact Project Plan Agreement, a Boston Residents Construction Employment Plan Agreement, and a Transportation Access Plan Agreement (collectively, the “Development Agreements”). The Development has been reviewed by the Boston Redevelopment Authority (the “BRA”) in accordance with Article 80B of the Boston Zoning Code and an Adequacy Determination under said Article 80 has been issued. **[TO BE ADDED TO EXTENT DEVELOPMENT APPROVED AS A 121A PROJECT; The Development has also been the subject of an approval by the BRA as a project approved under Chapter 121A of the General Laws of the Commonwealth of Massachusetts and Chapter 652 of the Acts of 1960, each as amended (“Chapter 121A”).]** The Development will be operated by Caesars Massachusetts Management Company, LLC, or its affiliates, who will manage and/or operate the Development (“Operator”).

Pursuant to the Host Community Agreement dated as of _____, 2013 by and between the City of Boston, a municipal corporation, and the Developer (the "HCA"), the Developer has agreed to formulate and submit to JCS a voluntary employment opportunity plan, the purpose of which is to detail the Developer's good faith efforts on its own behalf and its good faith efforts to encourage Operator to fill with, or make available to, Boston residents with certain employment opportunities created in four thousand (4,000) permanent jobs to be created at the Development. Working in cooperation with JCS and the Boston Employment Commission ("BEC"), the Developer, by agreeing to the provisions set forth herein and by signing this Agreement, has formulated such a plan, and has agreed to encourage Operator and other occupants of the Project to pursue the plan at the Development.

The Employment Opportunity Plan (the "Plan") set forth in this Agreement focuses upon steps which the Developer can take on its own behalf and its good faith efforts to encourage Operator to hire Boston residents for new job openings. The following paragraphs set forth the Plan:

I. Undertakings by Developer

A. With respect to all jobs created at the Development, the Developer will encourage Operator, other occupants of the Development, and the successor or assign of such Development, to notify at least one of Boston's One-Stop Career Centers when such Development is being filled with jobs prior to announcing or advertising the availability of any employment position.

B. With respect to all jobs created at the Development, the Developer will, or will encourage Operator, other occupants of the Development and successor or assign of Operator or any such other occupants of the Development, to utilize at least one of Boston's One-Stop Career Center as one of its recruiting methods for available employment opportunities.

C. The Developer shall provide to Operator, and any other occupants of the Development, the information regarding resources available through one of Boston's One-Stop Career Center, the City of Boston Neighborhood Jobs Trust and JCS, which information is attached to this Agreement as **Exhibit A**.

D. The Developer shall impose a local hiring program for permanent jobs at the Development that will include the following components:

1. Host and maintain a central job bank website (in English and Spanish) as a micro-site within the larger Development website.
2. The Developer will provide City residents with advance notice of hiring activities by publishing announcements in local newspapers approximately four (4) to eight (8) consecutive weeks prior to initial hirings.
3. Residents of Boston (together with residents of host and surrounding communities (as defined in the Act)) will be given first priority to apply for jobs during a specified "advance period," such advance period to be established jointly by the Developer and the Gaming Accountability Office of the City of Boston.
4. Written flyers in English and Spanish will be distributed to local community-based organizations in East Boston to inform people about local advance period hiring and the Developer shall use best efforts to otherwise notify residents in the low income neighborhoods in East Boston proximate to the Development of potential job opportunities.

E. The Developer will donate a minimum of twenty-five (25) computers to be placed in strategic areas in East Boston neighborhoods (e.g. local libraries or community centers) as well as install and maintain a minimum of two (2) computers on-site to ensure that residents without computers can research and apply online for jobs at the Development.

F. During the Term of this Agreement, the Developer will hold job fairs at the Development to make City residents aware of job opportunities available at the Development.

G. The Developer will utilize best efforts to use the existing labor force in the Commonwealth, and in particular the existing labor force in the City, when hiring for new jobs, as required by M.G.L. c. 23K, Section 18(17).

H. The Developer will make best efforts to ensure that fifty percent (50%) of permanent employees at the Development are City residents, of which a substantial percentage should be from the East Boston community, all as more particularly set forth in the HCA.

I. In furtherance of specific goals for the utilization of minorities, women and veterans permanent jobs, the Developer shall send to each labor union or representative of workers with which the Developer has a collective bargaining agreement or other contract or understanding, a notice advising the labor union or workers' representative of the Developer commitments.

J. During the term of this Agreement, the Developer shall use best efforts to work with the City's Public Schools Department to establish school-to-work programs for hospitality jobs at the City's vocational or public high schools.

K. During the term of this Agreement, the Developer shall support the efforts of, and actively engage with, the Commission and community colleges to develop the Massachusetts Community College Workforce Training Institute and Massachusetts Casino Careers Training Institute at community colleges in the Commonwealth.

L. During the term of this Agreement, upon request by the Gaming Accountability Office, the Developer shall provide the Gaming Accountability Office with information regarding its contracts with organized labor, including hospitality services, the number of employees employed at the gaming establishment, including detailed information on the pay rate and benefits for employees and contractors, and the Developer's plans to ensure labor harmony during all phases of the construction, reconstruction, renovation, development and operation of the gaming establishment.

M. After the Early Opening Operations Commencement Date (as defined in the HCA) through the remainder of the term of this Agreement, the Developer shall establish a program or partnership to provide off-site child day-care in accordance with Section 18(9) of the Act.

N. The Developer shall implement a training and development program for permanent jobs at the Project that will include the following components:

1. Provide opportunities for team members to pursue personal and professional growth, to enjoy satisfying careers, to participate in training and development programs and to celebrate success including rewards and recognition for superior performance against measurable goals.

2. Provide new employees with learning programs such as the “Empire Series.” The Empire Series is Operator’s best-in-class and award winning learning program for all new employees. This program offers a lively and engaging environment that uses cutting-edge technology. In addition to such learning program, the Developer shall provide specialized training courses customized to meet employee learning needs.
3. If a position requires serving alcoholic beverages, authorizing complimentary alcoholic beverages, or managing a food and beverage operation, that employee must obtain an alcohol awareness certification card. All table games employees, valet attendants, limo drivers and security team members must also possess this certification.
4. Provide an educational assistance program that reimburses employees ninety percent (90%) of tuition costs up to a maximum of \$3,000 per year for pre-approved undergraduate classes or up to a maximum of \$4,000 per year for pre-approved graduate study at an accredited college or university.
5. Provide regulatory and compliance training such as Skillsoft, which is Operator’s online learning platform used to deliver all regulatory and compliance training in addition to numerous professional development courses.
6. Implement the Caesars Code of Commitment, which includes a commitment to all employees to treat them with respect and provide satisfying career opportunities to invest in employees by providing excellent pay and valuable benefits, including health insurance and a retirement plan, and to share financial success through bonuses for frontline employees, to encourage professional and personal growth through tuition reimbursement, on-the-job training, career development, and promotion from within, to

actively seek and respond to employee opinions on all aspects of their jobs, from the quality of their supervisors to the quality of the casinos, and to value employees from every possible background, and who approach issues and problems from different perspectives.

O. Consistent with the corporate policy of the Developer to provide equal opportunity for all applicants and employees, the Developer will not discriminate on the basis of race, color, religion, sex, national origin, age, disability, sexual orientation, gender identity or expression, or veteran status. This policy applies to all areas of employment including recruitment, hiring, training, promotion, compensation, benefits, transfers and social and recreational programs. The Developer will provide Developer's workforce development plan, which pursuant to M.G.L. c. 23K, Section 18, will provide equal employment opportunities to all employees, including persons with disabilities.

P. In addition, as in part as it is fulfillment of a condition of the HCA, **[to the extent that 121A approvals are obtained] in consideration of its obtaining stabilization of existing tax payments through the execution of a contract pursuant to Section 6A of Chapter 121A which benefits both Operator and the Developer**, and being a party of the Development Agreements noted above, the Developer or Operator, as the case may be, will meet with the Director of JCS, or her designee, to review resources and information regarding the Plan; such meeting shall be scheduled any time after the execution of this Plan and in any event, prior to the issuance of any certificate of occupancy for the Development.

II. Continuing Joint Efforts

Recognizing that this Plan is entered into voluntarily by the Developer and JCS, as a commitment to the economic health of the City and its residents, in particular the residents of East Boston, the execution of this Agreement subscribing to the foregoing Plan by the Developer is hereby recognized by the JCS to satisfy each and every obligation of the Developer under the HCA, the Development Agreements, **[the 121A approvals]**, and under Article 80 to formulate such a Plan. The foregoing Plan is hereby approved by JCS. The Developer hereby agrees to fulfill all of the undertakings and responsibilities imposed upon a Developer by the Plan from the date hereof and including _____, _____ **[a date which is fifteen (15) years after the effective date]**. This Agreement shall be binding upon, and inure to the benefit of, the successor owner of the Development.

EXECUTED the date first above written.

[DEVELOPER]

By:

By: _____

Name:

Title:

[OPERATOR]

By:

By: _____

Name:

Title:

OFFICE OF JOBS AND COMMUNITY
SERVICES, a Division of EDIC

By: _____

Name:

Title: Director

EXHIBIT A
TO BOSTON RESIDENTS EMPLOYMENT AGREEMENT

Legal Description

EXHIBIT B

TO BOSTON RESIDENTS EMPLOYMENT AGREEMENT

One Stop Career Center Services

EXHIBIT J

DRAFT Construction Management Plan

This draft Construction Management Plan (CMP) addresses construction sequencing, staging plans, material deliveries, and specific mitigation measures intended to avoid and minimize impacts from the Project. As Project design progresses, protection measures will be added and modified as appropriate. A CMP will be submitted to the Boston Transportation Department for approval prior to commencement of construction, and the Developer's general contractor will be bound by the operational parameters described herein.

For on-site construction, the Developer and construction team will coordinate CMPs with the cities of Boston and Revere and applicable state agencies and authorities, as appropriate.

1. Construction Methodology

This section describes the construction schedule and the methods that will be used for staging, site access, public safety, and erosion and sediment control.

1.1 Construction Activity Schedule

Project construction is expected to take up to 60 months. Weekend, extended hours and 2nd/3rd shift activities will require an off-hours permit jointly issued by the Inspectional Services Department and Boston Transportation Department (BTD), and will be performed in a manner that will minimize impacts as may be necessary to meet permitting restrictions. The general contractor will also need to perform some activities, such as materials unloading, during off hours; deliveries of large construction equipment (e.g., cranes, excavation equipment) will be scheduled to avoid and/or minimize impacts to vehicular, pedestrian traffic and noise generated from the site.

Within the site, activities such as excavation, pile driving, and steel erection will also be prohibited during these hours. Every two weeks, the contractor will publish an updated schedule of upcoming work and will disseminate the schedule to affected parties in local neighborhoods. In addition, the general contractor will publish monthly schedule updates describing progress as well as projected activity for the next month. This information will be available on a Project website which will allow neighbors real-time access to the most up-to-date construction information.

1.2 Construction Staging and Truck Deliveries

The proposed staging plan is designed to isolate construction activities while providing safe access for pedestrians and automobiles during normal daily activities as well as emergencies. All adjacent streets will remain open to the public during construction.

Construction storage and staging will remain within the fenced construction fence enclosure. This boundary will be enclosed with a six-foot-high chain link fence with privacy screening. Plans illustrating construction phasing and staging on the Project site will be provided to and subject to review and approval by BTM prior to the commencement of any Work on the Property.

All construction delivery trucks will enter the site from Route 1A at Tomasello Drive, and will not be allowed to park or idle on neighborhood streets. Major deliveries such as steel or large pieces of mechanical equipment will be staged on-site. Specific language regarding staging locations and the prohibition of staging materials in neighborhood streets will be called out in all subcontracts. While it is not anticipated that any off-site staging or marshalling areas will be used, the locations of any and all staging and marshalling areas will be forwarded to the BTM and the City of Revere for review and approval. Truck wheel wash stations will be located and used at all site exits to ensure that soil materials are not tracked onto roadways from the site. During all site work activities, construction laborers will maintain adjacent streets and sidewalks to prevent accumulation of dirt and dust. Mechanical sweeping, and at the City's sole discretion, vacuum sweeping, will be used continuously during the excavation, foundation, and site work phases of the project to maintain adjacent roadways.

1.3 Perimeter Protection and Public Safety

Proper signage will direct pedestrians, vehicles and bicyclists safely around the site and construction activities.

The general contractor will work to minimize impacts to both pedestrian, bicycle and vehicular flow. Specific configurations of staging and pedestrian access around the site will vary depending on the phase of work being performed (see attached construction phasing plans). These configurations will ensure safe egress to and from the existing racetrack facilities during operation. As pedestrian, bicycle and vehicular access changes with the progression of construction, all changes will be submitted to BTM and the City of Revere for their review and approval prior to implementation. Fire department access as well as access to the fire hose connection will be continuously maintained at all times as shown in the attached construction phasing plans.

In general, secured fencing will isolate construction areas from pedestrian traffic within the site. Police details will be provided as needed to facilitate traffic flow both on and off the project site. In addition, sidewalk areas and walkways near construction activities will be protected, well marked, and lighted to ensure pedestrian safety. The general contractor will provide sufficient temporary site lighting to ensure the safety of all pedestrians accessing the site until permanent street lighting is installed. Construction safety procedures will be designed to meet all OSHA safety standards for specific site construction activities.

All subcontractors will be required to wear appropriate personal protective equipment, and each subcontractor will implement and manage its own Safety and Health Program for the project. These programs will be reviewed by the general contractor's field staff and safety department, which will also monitor compliance. This program will ensure that subcontractors' employees, subcontractors, and suppliers, regardless of tier, know and understand the complete safety and health requirements of the project.

Snow removal and ice treatment will occur in a timely manner and will be provided on the surrounding City sidewalks. Trash removal and debris cleanup will be performed on a continuous basis throughout the entire construction process. Construction-period way finding and directional signage will be provided and updated as necessary during construction.

1.4 Erosion Control, Dewatering and Mitigation

The Developer will prepare a Stormwater Pollution Prevention Plan (SWPPP) and submit a Notice of Intent to the U.S. EPA for coverage under EPA's NPDES Construction General Permit (CGP). The SWPPP will detail methods for preventing soil erosion and pollution of downstream receiving waters due to stormwater runoff from construction zones, and will be a "living" document to be revised as construction phasing dictates. The SWPPP will include both structural and non-structural BMPs to be used during construction, and will require site inspections in accordance with the CGP during all periods when ground surfaces remain un-stabilized. Locations for materials stockpiles, construction staging, construction trailers, and equipment storage will be identified.

Construction-period erosion and sediment controls will include the non-structural and structural BMPs described below. These controls will be designed, installed, and maintained in accordance with the SWPPP as well as the following documents:

"Storm Water Management for Construction Activities, Developing Pollution Prevention Plans and Best Management Practices" (EPA 832-R92-005, Sept. 1992);

"Storm Water Management for Construction Activities, Developing Pollution Prevention Plans and Best Management Practices – Summary Guidance" (EPA 833-R92-001, Oct. 1992);

Massachusetts Stormwater Management Policy Handbook (Volume I) and Technical Handbook (Volume II) issued by the Massachusetts Department of Environmental Protection, March 1997; and

Massachusetts Erosion and Sediment Control Guidelines for Urban and Suburban Areas, A Guide for Planners, Designers and Municipal Officials, March 1997.

Stormwater management for the post-construction, operational phase of the Resort is described in Section 9.3.2.

Non-Structural Controls

One of the most important methods of preventing soil erosion and sedimentation associated with stormwater runoff is to minimize the amount and duration of non-stabilized surfaces. Maintaining an efficient construction sequence that minimizes the size of disturbed areas reduces the exposure of non-stabilized surfaces to the erosive effects of stormwater. As with the SWPPP, the CMP will require contractors to minimize areas of disturbance. The thoughtful siting of storage and stockpile areas away from downstream receptors will also help prevent sedimentation from stormwater runoff.

On-site storage of hazardous materials or toxic chemicals will be limited to what is absolutely necessary. Where necessary, these materials will be stored off the ground and in enclosed or covered structures to prevent contact with stormwater runoff.

Daily street sweeping (or more frequent street sweeping as needed) of construction areas and surrounding streets and sidewalks will be required throughout construction to control fugitive dust emissions and to remove sediments tracked off site where they could otherwise be washed into surface waters, wetland resource areas, or the municipal stormwater management system, on a schedule approved by BTM. Permanent stabilization of exposed surfaces will be required within seven days of the completion of work in any given area. In instances when it may not be possible to permanently stabilize exposed soils within seven days of work completion, or when soils will be exposed for 14 days or longer without work occurring, temporary stabilization of surfaces will be required. This temporary stabilization will be achieved by seeding with quickly-germinating grasses or the use of erosion control blankets.

Structural Practices

In addition to the non-structural controls discussed above, many construction-period structural BMPs will be required to prevent pollution from stormwater runoff.

Appropriate perimeter controls such as silt socks, straw wattles, and compost berms will be installed to filter and slow stormwater runoff as it leaves the construction site. To prevent the import of invasive species and weed seeds, hay bales will not be used for erosion and sedimentation control in the Project. In accordance with the SWPPP, these perimeter controls will be inspected every seven days. Sediment build-up behind perimeter controls will be removed when it reaches one-half the height of the controls, and controls will be repaired or replaced as needed.

To prevent the tracking of sediments beyond the construction site, stabilized construction exits of crushed stone will be installed. All construction traffic will be directed over these exits when leaving the site to remove soils from vehicle tires. Construction exits will be inspected weekly in accordance with the SWPPP, and will be repaired or replaced as necessary when sediment builds up on the surface or crushed stone is displaced. Appropriately-sized concrete truck wash-out basins will be installed in locations to prevent contact with stormwater runoff. These basins will be cleaned as needed, and concrete materials will be disposed of in accordance with applicable local, state, and federal regulations.

New and existing inlets to stormwater management systems will be protected against sediment inflow. Catch basins will be fitted with filter inserts or will be surrounded by silt socks or other materials to filter incoming stormwater. The stormwater management systems will be constructed starting at the downstream end, and no flows will be directed to permanent stormwater BMPs prior to their completion and upstream surface stabilization.

Where larger site disturbances are necessary to accommodate particular construction activities, various measures will be implemented to prevent sediment-laden runoff from leaving the Project site. Where long, exposed slopes are required, temporary check dams will be constructed to reduce runoff velocities and promote less erosive sheet flow. These check dams may be earthen berms, straw wattles, compost berms, or other appropriate systems of slowing runoff velocities and promoting sediment removal. Temporary sediment basins will be constructed where necessary to allow sediments to drop out of suspension prior to discharge and promote construction-period infiltration to groundwater. Disturbed surfaces will be temporarily graded towards these basins, or temporary diversion swales will be built to direct flows to these basins. Basin outlets will be constructed to promote low-velocity sheet flow and will be directed towards existing vegetated areas for further treatment.

2. Construction Air Quality

Construction operations at the site, including earthwork, will generate dust. All demolition and construction work will be performed in accordance with applicable sections of the MassDEP Air Pollution Control Regulations at 310 CMR 7.02 and 310 CMR 7.09. Specific air quality mitigation measures will be as follows:

Use of appropriately designed construction entrances and wheel wash facilities at all construction exists by all vehicles that would otherwise track mud or dirt onto public roadways to prevent off-site migration of soils;

Mechanical street sweeping, and at the City's sole discretion, vacuum sweeping, of construction areas and surrounding streets and sidewalks;

Encapsulation of demolition sites as necessary where hazardous materials such as asbestos or lead paint are identified;

Removal of demolition and construction waste in covered or enclosed trailers;

Wetting of exposed soils and stockpiles to prevent dust generation;

Minimizing stockpiling of materials on site;

Turning off construction equipment when not in use, complying with all idling limitations in applicable law and regulations and minimizing idling times;

Minimizing the storage of demolition and construction wastes on site; and

Minimizing the duration that soils are left exposed.

Many of these measures are intended to minimize potential impacts associated with construction activities that may generate fugitive dust, which will result in localized increases in airborne particulate levels. Fugitive dust emissions from construction activities will depend on such factors as the properties of the emitting surfaces (e.g., moisture content and volume of spoils), meteorological variables, and construction practices employed.

Although fugitive dust may be generated during demolition and construction activities, the distance to off-site receptors makes it unlikely that the migration of dust will cause off-site impacts. Nonetheless, the contractor will implement dust control measures during active demolition and construction that will primarily consist of using wetting agents regularly to control and suppress dust that may come from the structure being demolished or the construction materials. The contractor will comply with the National Emission Standards for Hazardous Pollutants (NESHAP) throughout renovation,

demolition, and construction activities. The proposed redevelopment also includes on-site processing and reuse of brick and concrete, which will involve use of an on-site crusher. Appropriate notifications 30 days prior to any crushing will be performed, including notifying local officials and MassDEP in accordance with 310 CMR 16.05(3)(e)6. At no time shall fugitive dust be allowed to migrate beyond the immediate work zone. Dust mitigation during processing will include the use of water sprayers.

Site preparations involving construction haul roads, soil stockpiles, and vehicles exiting the Project site have the greatest potential to create fugitive dust. Soil excavation does not typically generate dust, however, due to the natural moisture content of subsurface soils. As necessary, haul roads will be routinely misted to suppress dust generation. Soil stockpiles can either be covered or vegetated, depending on how long the stockpile will remain. Dust from construction traffic exiting the Project site onto public roads will be controlled with the use of wheel wash stations and vehicle tracking pads, which remove soil from the tires of construction vehicles. Paved construction entrances will also be routinely swept by street sweepers to remove accumulated soils. At no time will visible soils be permitted on public streets that could result in fugitive dust issues.

In addition, the Developer acknowledges the importance of emission controls and will require contractors to comply with MassDEP's Diesel Retrofit Program and the use of ultra low sulfur diesel in off-road engines. The Diesel Retrofit Program, formerly called the Clear Air Construction Initiative of the Clean Construction Equipment Initiative, originated as an air quality mitigation measure for the Central Artery/Tunnel Project. The program was designed to encourage users of diesel construction equipment to install exhaust emission controls such as oxidation catalysts or particulate filters on their diesel engines.

Construction vehicles will be required to comply with all applicable laws and regulations regarding engine idling, and shall minimize any such idling. The approved construction contractor(s) will be required to use equipment fitted with diesel oxidation catalysts (DOC) or diesel particulate filters (DPF) to reduce emissions. DOCs can reduce fine PM by 25 percent, toxic carbon monoxide by 60 percent and smog-forming volatile organic compounds by 60 percent. DPFs can reduce fine PM by 85 percent or more, as well as smaller reductions in carbon monoxide and VOCs.

A construction air quality dust and emissions mitigation plan will be developed before construction begins and enforceable measures will be executed in the construction contracts.

Indoor air quality will be evaluated and tested by the Project environmental consultant, as appropriate, in buildings that are to remain or be renovated. The need for protective measures such as vapor barriers will be determined during final design. The potential for

methane migration (from organic deposits) will be assessed by the Project environmental consultant during final design.

3. Construction Period Noise

Predicted sound levels from construction within the proposed Project site are not anticipated to cause a significant noise impact and are expected to meet the relevant City of Boston daytime construction noise criteria at all noise-sensitive locations.

Construction will require the use of equipment that will be heard off-site, but background ambient noise conditions in the area, including urban activities and traffic, will lessen the impacts from construction noise. In addition, the Developer is committed to mitigate noise impacts related to the construction activities. A noise analysis performed for the Project to quantify the expected noise level associated with different construction activities and has been provided to BTM and the City of Revere.

The proposed construction process has been designed around site constraints, and the exact pieces of equipment will be finalized after subcontractor selection is complete.

Every reasonable effort will be made to minimize the noise impact of construction activities. Mitigation measures will be as follows:

Scheduling work during daytime hours. If extended hours, weekend or 2nd/3rd shift work is proposed, it will be coordinated with BTM and the City of Revere. During any such extended hours, weekend or 2nd/3rd shift work, all back up alarms on vehicles shall be disengaged and manual traffic controls will be used.

Using appropriate mufflers on all equipment and providing ongoing maintenance of intake and exhaust mufflers.

Maintaining muffler enclosures on continuously operating equipment, such as air compressors and welding generators.

Replacing specific construction operations by less noisy ones where feasible and practical.

Selecting the quietest practicable equipment (e.g., electric instead of diesel-powered equipment).

Selecting equipment operations to keep average noise levels low, to synchronize the noisiest activities with times of highest ambient noise levels, and to maintain relatively uniform noise levels.

Turning off idle equipment.

Securing any decking on roadways so that there is no rattling when traffic passes over.

Using vehicles and equipment with either ambient-sensitive or manually adjustable back-up alarms.

The proper sizing of impact equipment such as hoe rams, pile drivers and jackhammers and powering only to the degree needed to perform the work.

The installation of noise suppression enclosures on hoe rams.

The placement of stationary noise producing equipment such as pumps and generators as far away as possible from residential and sensitive receptor locations.

Keeping engine housing panels on all equipment closed; and when not in use, shutting off equipment.

4. Construction Schedule

The Project will be constructed in one continuous phase. Staging plans will be provided to BTM for review and approval prior to the commencement of any Work on the Property. The precise details of such staging will be set forth in the final CMP as approved for the Project but in all events shall require that all construction staging will be sequenced such that all construction staging and construction worker parking will be provided on the Property.

5. Construction Traffic Impacts

The number of workers required during construction will vary by period of construction and level of activity. Because the workforce will arrive prior to peak traffic periods, these trips are not expected to impact traffic conditions. In addition, the general contractor will encourage jobsite personnel to utilize public transportation such as by providing personnel with subsidized MBTA passes or shuttle services. Personal vehicles will be allowed to park within designated areas at the Project construction site at no cost, and no construction or personal vehicle parking will be allowed in adjacent neighborhoods. The general contractor shall develop a parking plan for BTM's review and approval, which shall include the general contractor's plans and protocols for enforcing the prohibition on construction personnel parking personal vehicles on streets in the adjacent neighborhood. Terms and conditions to maximize protection of the neighborhoods related to workforce parking will be written into each subcontract and reviewed with each worker during a mandatory orientation. Terms and conditions encouraging public transportation use will be included in each subcontract.

Truck traffic will vary throughout the construction period, depending on the activities being performed. It is expected that truck traffic will average 15-20 trucks daily spread evenly throughout the day.

Specific truck routes will be identified and described to BTM and the City of Revere, and will be clearly delineated on site logistics drawings, for BTM and the City of Revere's review and approval. Construction contracts will include clauses restricting truck travel to BTM- and Revere-approved routes. Unless a specific exception is approved by BTM and the City of Revere, the Developer shall require all construction vehicles to access the Project site from Route 1A at Tomasello Drive. Wheel wash stations and anti-tracking stone pads, which will be at least 50 feet long and consist of a four-inch-thick layer of crushed stone placed over a non-woven filter fabric, will be placed at each access point to the work area. Wheel wash stations will remain in place until the completion of construction and anti-tracking stone pads will remain in place until the work area is paved or otherwise stabilized.

Off-site traffic improvements will require close coordination with the cities of Boston and Revere as well as certain state agencies. The general contractor will develop a construction-period traffic management plan for review and approval by the cities and state. Signage, traffic cones, drums, and other traffic control measures will be employed during construction to provide positive guidance for traffic near the work zone.

6. Dewatering and Groundwater

Should dewatering become necessary during demolition, installation of utilities, or construction of building foundations, appropriate BMPs will be implemented to prevent pollution of downstream receptors. Temporary construction dewatering will likely be required locally for various excavations, and intermittent pumping will be used as needed to allow for construction in-the-dry. Effluent generated during temporary construction dewatering will be infiltrated into the ground where possible. Groundwater testing will be conducted during dewatering operations as appropriate to determine the type and degree of contamination present and to evaluate and implement appropriate measures to manage groundwater associated with Project excavation and construction, including use of a fractionation tank(s) and adherence to the requirements of temporary construction dewatering permits, as appropriate.

7. Material Handling

The Project includes the demolition of existing buildings, paved driveways, parking lots, sidewalks, and various utilities that will generate large volumes of waste products. Based on available information, a portion of the demolition waste includes hazardous materials such as asbestos, minor amounts of materials containing low levels of polychlorinated biphenyls (PCBs), and lead paint. In addition, due to the scale of the Project, a large

amount of general construction waste is also expected. The sections below detail how hazardous and non-hazardous solid wastes will be handled during demolition and construction. The Developer is targeting a 75% reduction in construction debris.

7.1 Solid Waste and Recycling

Proposed construction, demolition, and remediation activities will generate solid waste, including certain regulated building waste streams (e.g., asbestos-containing materials, PCBs, and oil/hazardous materials). The general contractor will take an active role in the processing and recycling of construction waste. The disposal contract will include specific requirements to ensure that procedures allow for the necessary segregation, reprocessing, reuse, and recycling of materials. For those materials that cannot be recycled, solid waste will be transported in covered trucks to an approved solid waste facility per MassDEP Regulations for Solid Waste Facilities, 310 CMR 16.00. Brick, concrete, gypsum wallboard, wood and metal will be segregated from other construction debris for recycling, with the other debris to be disposed of as non-banned construction waste in accordance with waste facility management regulations at 310 CMR 19.017.

Demolition of the administration building, electrical building, and portions of the existing grandstand and link buildings will generate asphalt, brick and concrete (ABC) debris.

ABC that is not coated, impregnated, or otherwise treated will be crushed and reused on site without MassDEP pre-approval, provided that MassDEP and the municipalities are notified in advance. However, for ABC that is painted, coated, impregnated, or otherwise treated, the contractor will submit a Beneficial Use Determination (BUD) Application to MassDEP for approval before those materials are crushed and reused on site. The application will be supported by documentation demonstrating that the material will be beneficially used on site and that use of the material will not result in a significant risk to health or the environment and will not increase the overall level of contamination at the site.

7.2 Hazardous Waste

Releases of oil or hazardous material to the environment are managed under the MCP (M.G.L. Chapter 21E and 310 CMR 40.0000) under the supervision of an LSP. The Project includes demolition and reconstruction as part of site redevelopment. [*Customary background information regarding Project environmental matters to be addressed in final CMP*].

An LSP has been engaged by Developer to provide environmental consulting services during Project design and construction. If contamination is identified in pre-construction sampling or during construction, an LSP will provide services consistent with the MCP as required for regulatory compliance and close-out. The Project environmental consultant will ensure that the Project conforms to MCP regulatory requirements for construction of

buildings in contaminated areas, and that all required submittals will be provided to MassDEP.

The presence of PCBs in the caulking of buildings constructed between 1950 and 1980 has recently become public knowledge. There are minor amounts of PCB-containing materials on the Project site, specifically the caulking used to seal some of the windows. PCB-containing material is also common in items such as florescent light fixtures. A building assessment of the existing buildings has been completed quantifying the demolition debris that requires special disposal conditions. Non-hazardous waste landfills in Massachusetts landfills are permitted to accept PCB-containing materials where concentrations are less than 2 mg/kg; such disposal does not require approval from the EPA.

The site is also regulated under asbestos abatement regulations (310 CMR 4.00), and asbestos-containing materials are known to exist on the Project site. Asbestos is classified as a "special waste" under MassDEP solid waste regulations, and asbestos and asbestos-containing material require special handling and transporting methods set out in MassDEP regulations. Asbestos-containing material surveys and abatement plans will be developed for each building prior to demolition. Asbestos can only be disposed of in landfills that have been approved to accept asbestos-containing waste materials. Any entity or individual engaged at the site for asbestos abatement or containment shall be licensed and certified under 453 CMR 6.00.

The Project involves the demolition of existing buildings, paved driveways, parking lots, sidewalks, and various utilities including portions of existing water mains and sewer mains. Based on available information, a portion of the demolition waste will include hazardous materials such as asbestos and lead-based paint. These materials are classified as "special waste" under MassDEP solid waste regulations. Accordingly, asbestos, asbestos-containing material, and materials with lead-based paint will be segregated and Project operations will proceed in accordance with the required special handling and transporting methods set out in MassDEP regulations.

Based on a February 14, 2007 Phase I/Phase II Environmental Site Assessment report completed by GEI Consultants, an on-site inspection for asbestos-containing building materials and lead-based paint was conducted by Smith & Wessel of Merrimac, Massachusetts in select buildings on the Project site. Materials that tested positive for asbestos included floor tile and paper, wall and ceiling panels, insulation, window glazing compound, and door caulking. It is unclear whether the existing grandstand roof contains asbestos. It is also noted that some painted surfaces contain lead-based paint.

Surveys and abatement plans related to asbestos-containing material, PCB-containing material, and lead-based paint will be required for each building prior to demolition.

Asbestos, PCBs, and lead-based paint will be disposed of in accordance with MassDEP regulations at landfills that have been approved to accept these materials. Any entity or individual engaged at the site for asbestos, lead-based paint, or PCB abatement or containment shall be licensed and certified under 453 CMR 6.00.

Construction operations at the site, including earthwork, will generate dust. As required on construction projects, the Contract Documents will specify the requirements for dust control and include the site-specific Contractor Health & Safety Plans to protect worker safety. If required, dust will be suppressed by spraying the site with water, and air quality will be measured with dust monitors.

Based on existing information, one active UST exists on site. The existing UST is a 7,000-gallon partitioned gasoline and fuel oil tank located near the northwest corner of the existing building. During construction, the existing UST will be removed and a new UST will be installed near the proposed new maintenance building. The Project LSP will ensure that tank removal and closeout is completed in accordance with the MCP and requirements for the city of Revere. In addition, previously unknown USTs encountered during construction will be managed similarly, as needed.

8. Draft Spill Response Plan

Small quantities of hazardous materials or chemicals may be utilized on site, including petroleum/fuel products. Any such materials will be handled and stored in accordance with all applicable regulatory requirements. In the event of an unplanned release of petroleum/fuel products or other contaminants, the general contractor and its subcontractors will utilize the following procedures:

1. Notify Fire Department and contracted spill response contractor;
2. Notify the U.S. Army Corps of Engineers;
3. Mobile excavating equipment will come to the spill/release area and if necessary, create berms, dig channels or cover effected area with soil to reduce spreading or migration;
4. The general contractor will maintain a spill kit on site containing absorbent materials that will be positioned near fueling areas and utilized in the event of spill or release;
5. The general contractor and its subcontractors will reduce the probability of an unplanned spill or release by having fuels delivered by truck to a designated fueling area rather than bulk storage and/or tanks of petroleum/fuel products or other contaminants;

6. Fire extinguishers will be positioned adjacent to fueling areas;
7. No hot work, smoking or potential ignition sources will be allowed in the fueling areas;
8. Personnel involved with fueling or handling of any contaminant will be equipped with communication devices to sound an alarm in the event of spill or unplanned release;
9. Only authorized personnel will be allowed in the spill release area; and
10. The general contractor and its subcontractors will provide assistance as necessary to the qualified spill response contractor and fire department.

9. Geotechnical Impacts and Monitoring

Excavation will be required for the deep foundations (precast piles and/or steel piles), drilled elements such as micropiles, and PIFs proposed in the Project design. Means and methods for installing the deep foundation system will consider potential impacts to abutting facilities that will remain within the property limits (e.g., the grandstand). It is not expected that vibrations will approach thresholds that could potentially impact existing facilities; nonetheless, vibration monitoring will be conducted during pile driving activities. In addition, the Project team will conduct a full existing conditions survey of existing structures prior to commencement of construction, with follow-up on completion.

10. Rodent Control

To control rodent infestation, the City enforces requirements established under the Massachusetts State Sanitary Code, Chapter 11, 105 CMR 410.550 and the State Building Code, Section 108.6. Policy Number 87-4 (City of Boston), which require the extermination of rodents for issuance of permits for demolition, excavation, foundation and basement rehabilitation.

A rodent control program will be developed for the Project prior to commencement of construction and submitted to the City for its review and approval. The program will include performing extermination and control procedures on a bi-weekly basis and placing tamper-resistant bait boxes around the site perimeter.

11. Utilities

New infrastructure for sewer, drainage, domestic water, fire protection water, telephone, gas, and electric services will be tied into existing infrastructure. Specific traffic management plans will be developed for the work required to perform these tie-ins. Connections to the existing services will be coordinated with the proper utilities and their

respective contractors, as necessary. All shutdowns will be arranged with affected parties and proper notice will be given prior to any shutdowns. Any and all work requiring a BTB Permit will be approved in writing by the general contractor at the time of permit application. The written approval of the general contractor will be presented to BTB by the contractor performing the work at the time of application of permit to BTB.

12. Damage to Public Property

The Contractor will be responsible for repairing any damage to public streets, public sidewalks, or other public property resulting from its construction activities.

13. Emergency Contacts

A 24-hour emergency contact list will be distributed to all parties involved in the Project. This list shall contain at least three (3) representatives for the Contractor. A 24-hour complaint hotline telephone number shall be provided and will be visibly posted on Project site signage subject to the approval of BTB, including on a Project sign visible from Route 1A. This hotline shall be staffed appropriately to ensure that a caller is allowed to speak to a person as opposed to leaving a message. Logs of all complaints and how/when the complaints were resolved will be kept on-site.

EXHIBIT K-1

Calculation of Annual Host Community Agreement Fee

The Developer shall pay a Base Annual Host Community Agreement Fee for each calendar year as set forth in Table 1—Base Annual Host Community Agreement Fee below:

TABLE 1
Base Annual Host Community Agreement Fee

<u>Period</u>	<u>Base Annual Host Community Agreement Fee</u>	<u>Amount to Be Transferred therefrom to Community Impact Trust Each Year</u>
Construction Commencement Date until Early Opening Operations Commencement Date	Real estate taxes applicable to existing improvements and land at their current assessed value, plus taxes assessed on the value of improvements under construction (taxed consistent with ordinary taxation of commercial construction without a gaming use premium), but not less than \$1,500,000 annually	\$0.00. <i>** Note: The Developer will be paying an Upfront Community Impact Fees in the amount of \$33,400,000.00 as set forth in Section IV.B.</i>
Early Opening Operations Commencement Date until Full Build-Out Operations Commencement Date (FBOOCD)	\$20,000,000 annually	\$12,000,000 annually
First Year following FBOOCD	\$24,000,000 annually	\$16,000,000 annually
Second Year following FBOOCD	\$28,000,000 annually	\$20,000,000 annually
Third Year following	\$32,000,000 annually	\$20,000,000 annually

FBOOCD and each Year thereafter		
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The Base Annual Host Community Agreement Fee shall be equitably pro-rated for any partial years falling between the periods set forth above.

In addition to payment of the Base Annual Host Community Agreement Fee, commencing on the Full Build-Out Operations Commencement Date, in the event the Gross Gaming Revenues from the facility are greater than \$800,000,000 during any Casino Year, the Developer shall also pay an Additional Annual Host Community Agreement Fee in addition to the Base Annual Host Community Agreement Fee in an amount equal to the total Gross Gaming Revenue multiplied by the corresponding percentage set forth in Table 2 – GGR Percentage Table below:

**TABLE 2
GGR Percentage Table**

<u>Gross Gaming Revenue *</u>	<u>Percentage</u>
\$810,000,000 - \$819,999,999	0.1%
\$820,000,000 - \$829,999,999	0.2%
\$830,000,000 - \$839,999,999	0.3%
\$840,000,000 - \$849,999,999	0.4%
\$850,000,000 - \$859,999,999	0.5%
\$860,000,000 - \$869,999,999	0.6%
\$870,000,000 - \$879,999,999	0.7%
\$880,000,000 - \$889,999,999	0.8%
\$890,000,000 - \$899,999,999	0.9%
\$900,000,000 - \$909,999,999	1.0%
\$910,000,000 - \$919,999,999	1.1%
\$920,000,000 - \$929,999,999	1.2%
\$930,000,000 - \$939,999,999	1.3%
\$940,000,000 - \$949,999,999	1.4%
\$950,000,000 - \$959,999,999	1.5%
\$960,000,000 - \$969,999,999	1.6%
\$970,000,000 - \$979,999,999	1.7%
\$980,000,000 - \$989,999,999	1.8%
\$990,000,000 - \$999,999,999	1.9%
\$1,000,000,000 - \$1,009,999,999	2.0%
\$1,010,000,000 - \$1,019,999,999	2.1%
\$1,020,000,000 - \$1,029,999,999	2.2%
\$1,030,000,000 - \$1,039,999,999	2.3%
\$1,040,000,000 - \$1,049,999,999	2.4%
\$1,050,000,000 - \$1,059,999,999	2.5%
\$1,060,000,000 - \$1,069,999,999	2.6%

\$1,070,000,000 - \$1,079,999,999	2.7%
\$1,080,000,000 - \$1,089,999,999	2.8%
\$1,090,000,000 - \$1,099,999,999	2.9%
\$1,100,000,000 - \$1,109,999,999	3.0%
\$1,110,000,000 - \$1,119,999,999	3.1%
\$1,120,000,000 - \$1,129,999,999	3.2%
\$1,130,000,000 - \$1,139,999,999	3.3%
\$1,140,000,000 - \$1,149,999,999	3.4%
\$1,150,000,000 - \$1,159,999,999	3.5%
\$1,160,000,000 - \$1,169,999,999	3.6%
\$1,170,000,000 - \$1,179,999,999	3.7%
\$1,180,000,000 - \$1,189,999,999	3.8%
\$1,190,000,000 - \$1,199,999,999	3.9%
\$1,200,000,000 - \$1,209,999,999	4.0%
\$1,210,000,000 - \$1,219,999,999	4.1%
\$1,220,000,000 - \$1,229,999,999	4.2%
\$1,230,000,000 - \$1,239,999,999	4.3%
\$1,240,000,000	4.4%

* In the event the Gross Gaming Revenues are between \$800,000,001 and \$809,999,999, no Additional Annual Host Community Agreement Fee shall be due.

In the event the Gross Gaming Revenues exceed \$1,240,000,000 in any Casino Year, the Developer shall pay an Annual Host Community Agreement Fee (meaning the Base Annual Host Community Fee plus the Additional Annual Host Community Fee) equal to 7% of the total Gross Gaming Revenues in accordance with the provisions of Section IV.D. of this Agreement.

EXHIBIT K-2

Procedures for the determination of monthly payment of Annual Host Community Agreement Fees:

For all monthly payments other than the monthly payment for December of each Casino Year:

- 1) At the end of each month during a Casino Year (the month in question being referred to as a “Measurement Month” for purposes of measuring the monthly Annual Host Community Agreement Fees payable following the end of such month), calculate Cumulative Year to Date (YTD) Gross Gaming Revenue by summing all monthly Gross Gaming Revenues since January 1 of the Casino Year to the end of the current month.
- 2) Annualize YTD Gross Gaming Revenue to arrive at Projected Annual Gross Gaming Revenue as of the end of the Measurement Month by multiplying the Year to Date Gross Gaming Revenue as of the end of the Measurement Month by the applicable Annualizing Coefficient for the corresponding month.

<u>Month</u>	<u>Annualizing Coefficient</u>	<u># Months Remaining in Casino Year</u>	<u>Payment Due Date</u>
January	12.00	12	February 10
February	6.00	11	March 10
March	4.00	10	April 10
April	3.00	9	May 10
May	2.40	8	June 10
June	2.00	7	July 10
July	1.71	6	August 10
August	1.50	5	September 10
September	1.33	4	October 10
October	1.20	3	November 10
November	1.09	2	December 10

- 3) Based on Projected Annual Gross Gaming Revenue as of the end of the Measurement Month, use the tables in Exhibit K-1 to calculate the Projected Annual Host Community Agreement Fee payment as of the end of the Measurement Month.
- 4) Subtract the total YTD payments made by the Developer to the City from the Projected Annual Host Community Agreement Fee payments to arrive at the Net Remaining Annual Host Community Agreement Fees due.
- 5) Divide Net Remaining Annual Host Community Agreement Fees by the number of months remaining in the Casino Year to arrive at the monthly payment amount to be

made to the City for that month, which payment shall be due on or before the date set forth in the table above.

For the monthly payment for December of each Casino Year:

- 1) Obtain the Gross Gaming Revenues for the Casino Year as certified by the Commission on February 1 of each year, or if such information is not available, calculate Cumulative YTD Gross Gaming Revenue by summing all Gross Gaming Revenues for the Casino Year.
- 2) Use the tables in Exhibit K-1 to calculate the Annual Host Community Agreement Fee payment for the Casino Year.
- 3) Subtract the total YTD payments made by the Developer to the City from the Projected Annual Host Community Agreement Fee payments.
- 4) If applicable, subtract the Excise Tax (as defined below).

The monthly payment for December is due on or before April 1 of the following Casino Year.

The City further agrees that, to the extent that the Project receives the 121A Approvals and the Developer is required to make a payment in accordance with Section 10 of Chapter 121A (“Excise Tax”), the fair cash value of the real and personal property constituting the Project, as of January 1 of the year in which the Early Opening Operations Commencement Date first occurs and for each succeeding January 1 of the year next following the year in which the Developer’s property tax exemption under Chapter 121A shall terminate, shall be an amount which, when used in the computation of the Excise Tax for or with respect to the previous calendar year, would result in an Excise Tax no greater than the amount which would be due in accordance with the terms of a contract by and between the Developer and the City as required in accordance with the terms of Section 6A of said Chapter 121A.

The calculations set forth above shall be appropriately modified for the first Casino Year and last Casino Year if either is less than a full calendar year, consistent with the principles set forth in this Exhibit K-2.

EXHIBIT L

Form of Estoppel

ESTOPPEL CERTIFICATE

This Estoppel Certificate (this “Estoppel”) dated as of the ____ day of _____, 20__, is executed by the City of Boston, Massachusetts, a municipal corporation, acting by and through its Mayor, with a principal place of business at 1 City Hall Square, Suite 500, Boston, Massachusetts 02201 (the “City”) to and in favor of Sterling Suffolk Racecourse, LLC, a Massachusetts limited liability company with a principal place of business at 525 William F. McClellan Highway, East Boston, Massachusetts 02128 (“Sterling Suffolk”)

WHEREAS, the City is a party to that certain Host Community Agreement dated as of August __, 2013 by and between the City and Sterling Suffolk (the “Host Community Agreement”) in connection with the development, construction and operation of a destination resort casino complex on land owned by Sterling Suffolk known as Suffolk Downs. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Host Community Agreement.

WHEREAS, Sterling Suffolk has requested that the City deliver this Estoppel pursuant to the terms of the Host Community Agreement.

NOW, THEREFORE, the City hereby certifies to Sterling Suffolk, that as of the date hereof, to the City’s actual knowledge:

1. The Host Community Agreement is in full force and effect and unmodified.
2. Except as set forth in Exhibit A attached hereto, there is no default under the Host Community Agreement by the Developer.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the City has executed this Estoppel under seal as of the date first above written.

CITY OF BOSTON

By: _____
Name:
Title:

EXHIBIT A TO ESTOPPEL CERTIFICATE

List defaults, if any, or state NONE.

EXHIBIT M

Form of Disclosure of Beneficial Interests

Disclosure Statement Concerning Beneficial Interests as
Required by Article 80, Section 80B-8, of the Boston Zoning Code

1. Proposed Project:
2. Location:
3. Applicant
4. I hereby state, under the penalties of perjury, that the true names and addresses of all Persons who have a Beneficial Interest (including the amount of their Beneficial Interest accurate to within one-tenth of one percent if such interest exceeds one percent) in the Proposed Project are listed below in compliance with the provisions of Article 80, Section 80B-8, of the Boston Zoning Code.
5. NAME AND RESIDENCE OF EACH PERSON WITH SAID BENEFICIAL INTEREST:
attached as Exhibit A hereto.
6. The undersigned also acknowledges and states that except as stated below, none of the above-listed individuals is an official elected to public office in the Commonwealth of Massachusetts, nor is an employee of the Commonwealth's Department of Capital Asset Management and Maintenance.
7. I hereby state, under the penalties of perjury, that the names and addresses of all firms and professional corporations employing attorneys, real estate brokers, architects, engineers, planners, or surveyors, and all other agents who have acted on behalf of any of the foregoing with respect to the Project Notification Form on the above-listed property, for compensation not less than \$50,000.00, are listed on the attached Exhibit B in compliance with the provisions of Article 80, Section 80B-8, of the Boston Zoning Code.

[The balance of this page has been intentionally left blank]

SIGNED under the penalties of perjury

By: _____

Name:

Title: Authorized Signatory

As to the Beneficial Interests Affiliated
with _____

EXHIBIT A
Beneficial Interests

The following entities hold 100% of the beneficial interests in _____:

<u>Name</u>	<u>Address</u>	<u>Percentage Interest</u>

EXHIBIT B

EXHIBIT N

Revenue Enforcement Certification Pursuant to M.G.L. c. 62C, § 49A

Pursuant to M.G.L. c. 62C, § 49A, I hereby certify under the pains and penalties of perjury that I, and the entity on behalf of which I am signing, have complied with all laws of the Commonwealth of Massachusetts relating to taxes, reporting of employees and contractors, and withholding and remitting child support.

STERLING SUFFOLK RACECOURSE, LLC

By: _____

Name:

Title:

Hereunto duly authorized

CAESARS MASSACHUSETTS MANAGEMENT
COMPANY, LLC

By: Caesars Massachusetts Acquisition Company,
LLC, its sole member

By: Caesars Entertainment Operating Company,
Inc., its sole member

By: _____

John W. R. Payne

President, Central Markets and

Partnership Development

COMMONWEALTH OF MASSACHUSETTS
COUNTY OF SUFFOLK

On this ____ day of _____, 2013, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which was personal knowledge, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily for its stated purpose, as Manager of Sterling Suffolk Racecourse, LLC

Notary Public

My commission expires:

COMMONWEALTH OF MASSACHUSETTS
COUNTY OF SUFFOLK

On this ____ day of _____, 2013, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which was personal knowledge, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily for its stated purpose, as President of Caesars Entertainment Operating Company, Inc., the sole member of Caesars Massachusetts Acquisition Company, LLC, the sole member of Caesars Massachusetts Management Company, LLC.

Notary Public

My commission expires:

EXHIBIT O

Form of Notice of Agreement

NOTICE OF HOST COMMUNITY AGREEMENT

This Notice of Host Community Agreement (this "Notice") dated as of the ____ day of _____, 201__ is made by and between the City of Boston, Massachusetts, a municipal corporation, acting by and through its Mayor, with a principal place of business at 1 City Hall Square, Suite 500, Boston, Massachusetts 02201 (the "City") and Sterling Suffolk Racecourse, LLC, a Massachusetts limited liability company with a principal place of business at 525 William F. McClellan Highway, East Boston, Massachusetts 02128 ("Sterling Suffolk").

Notice is hereby given that the City and Sterling Suffolk have entered into a Host Community Agreement dated _____, 2013 (the "Host Community Agreement") which sets forth their mutual rights and obligations with respect to the development, construction and operation of a destination resort casino complex on land owned by Sterling Suffolk, more particularly described in Exhibit A attached hereto and incorporated herein, including, without limitation, certain limitations on transfer as set forth in the Host Community Agreement.

A copy of the Host Community Agreement is available for inspection in the office of the City of Boston Office of Gaming Accountability.

Executed under seal as of the date first written above.

APPROVED AS TO FORM:

CITY OF BOSTON:

Corporation Counsel

By: _____
Thomas M. Menino, Mayor
Hereunto duly authorized

DEVELOPER:

STERLING SUFFOLK RACECOURSE, LLC

By: _____
Name:
Title:
Hereunto duly authorized

COMMONWEALTH OF MASSACHUSETTS
COUNTY OF SUFFOLK

On this ____ day of _____, 2013, before me, the undersigned notary public, personally appeared Thomas M. Menino, proved to me through satisfactory evidence of identification, which was personal knowledge, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily for its stated purpose, as Mayor of the City of Boston.

Notary Public
My commission expires:

COMMONWEALTH OF MASSACHUSETTS
COUNTY OF SUFFOLK

On this ____ day of _____, 2013, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which was personal knowledge, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily for its stated purpose, as Manager of Sterling Suffolk Racecourse, LLC

Notary Public
My commission expires:

EXHIBIT P

Form of Mortgagee Subordination

SUBORDINATION OF MORTGAGE AND SECURITY AGREEMENT

Bank of America, N.A., a national banking association ("Mortgagee"), being the holder of that certain Mortgage and Security Agreement granted by Sterling Suffolk Racecourse, LLC, a Massachusetts limited liability company ("Grantor") and recorded with the Suffolk County Registry of Deeds in Book 42786, Page 51 and filed with the Suffolk County Registry District of the Land Court as Document No. 745733 (the "Mortgage"), for good and valuable consideration, hereby subordinates the lien of the Mortgage to that certain Host Community Agreement between Grantor and the City of Boston dated _____, 2013 (the "HCA"), evidenced by a Notice of Agreement recorded in Book _____, Page _____ and filed as Document No. _____, and agrees to be bound by the terms of the HCA.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be signed and delivered in its name by its duly authorized officer this ____ day of _____, 2013.

BANK OF AMERICA, N.A.

By: _____
Name: _____
Title: _____

STATE OF NEW YORK
COUNTY OF _____

On this ____ day of _____, 2013, before me, the undersigned notary public, personally appeared _____, proved to me through satisfactory evidence of identification, which was a state-issued driver's license or personal knowledge, to be the person whose name is signed on the preceding document, and acknowledged to me that he/she signed it voluntarily for its stated purpose, as an officer of Bank of America, N.A.

Notary Public
My commission expires: _____

EXHIBIT Q

Additional Financing Provisions

- A. In connection with any Financing, the Developer shall have the right, without the City's consent but subject to any approvals required under the 121A Approvals, to subject its interest under the Agreement and the Project to the lien of a Mortgage to such Authorized Lender to secure indebtedness of the Developer and to give the Authorized Lender a collateral assignment and pledge, of all of the Developer's interest in, to and under the Agreement (an "Authorized Mortgage") and the Authorized Lender shall have the benefit of this Exhibit Q. The Developer's right to execute and deliver an Authorized Mortgage shall be subject to the following conditions:

The Authorized Mortgage shall be in such form and shall contain such provisions as may be customarily required by Authorized Lenders for similar projects, subject to such modifications as are required to reflect the particular transaction and to eliminate any conflict with the provisions of this Agreement, and within thirty (30) days after the execution of such Authorized Mortgage, the City will be furnished with a certified copy thereof and a street, post office and email address where notices shall be served upon the Authorized Lender identified therein.

- B. If the Developer shall execute an Authorized Mortgage pursuant to the provisions hereof, including fulfillment of the preceding conditions, then in such event, commencing with the City's receipt of a copy of such Authorized Mortgage from either the Developer or the Authorized Lender thereunder and a street, post office and email address where notices shall be served upon such Authorized Lender pursuant to Section A above (an "Authorized Mortgage Notice"), and thereafter so long as the City has not received notice from the Developer or the Authorized Lender of the discharge or other termination of the Authorized Mortgage, and except as otherwise mutually agreed to by such Authorized Lender and the City, each in their sole and absolute discretion, the following shall apply:
1. No agreement by the Developer and the City for the cancellation, surrender, or termination of the Agreement shall be effective without the written consent of the Authorized Lender, except to the extent otherwise specifically contemplated by the terms of the Agreement.
 2. Upon any default by the Developer pursuant to the provisions of the Agreement, the City shall deliver to the Authorized Lender written notice thereof simultaneously with providing such notice to the Developer. The City shall afford the Authorized Lender thirty (30) days beyond the cure or grace period afforded to the Developer under the Agreement to cure a default under Section VIII(A)(1),(2),(3),(4),(5),(6) and (12) of the Agreement (collectively, "Monetary Defaults") and sixty (60) days beyond the expiration of the cure or grace period afforded to the Developer under the Agreement to cure a default under Section VIII(A)(7),(8),(9),(10),(11),(13),(14),(15),(16) and (17) of the Agreement (collectively, "Non-Monetary defaults"); provided that if a Non-

Monetary Default is of such a nature that it can be cured by the Authorized Lender, but the cure cannot be completed within such additional sixty (60) days, then the period afforded to the Authorized Lender to cure such Non-Monetary Default shall be extended automatically so long as Authorized Lender (i) provides written notice to the City of its intention to cure the Non-Monetary Default within such sixty (60) day period, (ii) commences to cure such Non-Monetary Default within such sixty (60) day period and thereafter diligently prosecutes said cure to completion, (iii) cures all Monetary Defaults within the thirty (30) day cure period above and ensures that all other payment obligations under the Agreement are timely paid and (iv) cures all other Non-Monetary Defaults within the periods provided above; and provided further that the cure periods set forth above with respect to Non-Monetary Defaults (but not Monetary Defaults) shall be extended automatically during the pendency of any proceeding instituted by the Authorized Lender for the foreclosure or other judicial enforcement of the Authorized Mortgage to sell or acquire the Project, said extension for Non-Monetary Defaults to continue as long as the Authorized Lender prosecutes said proceedings diligently and in good faith to foreclose the Authorized Mortgage or to acquire the Project.

3. In case the Developer's interest under the Agreement or the Project shall be assigned or otherwise transferred to an Acquiring Party (as defined below) pursuant to the exercise of any right, power or remedy of any Authorized Lender or pursuant to judicial proceedings, as a consequence of a default under the Authorized Mortgage or any related loan document (individually, a "Mortgage Default"), the City, within sixty (60) days after receiving written request therefor, and upon payment to the City of all expenses, including reasonably attorneys' fees incident thereto, and provided that all prior Monetary Defaults under the Agreement have been cured and all continuing Non-Monetary Defaults under the Agreement have been cured to the extent that they can be cured by the Acquiring Party (provided that the City has provided notices of all such Monetary Defaults and Non-Monetary Defaults in accordance with Section B(2) above), will execute and deliver such instrument or instruments as may be required to confirm such transfer of the Developer's interest under the Agreement to the Acquiring Party; provided, however, that such Acquiring Party must possess equal or better financial strength as the Developer as of the Effective Date and must have equal or greater industry experience as the Developer as of the Effective Date.
4. The restrictions set forth in Section VII of the Agreement (Transfers and Assignment) shall not apply to any transfer to a Authorized Lender or its designee pursuant to a foreclosure or other exercise of the security rights held by the Authorized Lender, or deed in lieu of foreclosure or similar measure afforded to a Authorized Lender or its designee, nor to the transfer to any third party purchaser who may acquire the interest of the Developer in the Project directly in a foreclosure or other enforcement proceeding (the acquiring Authorized Lender or third party referred to herein as an "Acquiring Party"); provided, however, that as set forth above, such Acquiring Party must possess equal or better financial

strength as the Developer as of the Effective Date and must have equal or greater industry experience as the Developer as of the Effective Date.

5. In the event an Acquiring Party should, following a Mortgage Default by the Developer, ever succeed to the interest of the Developer under the Agreement or the Project, it is explicitly understood and agreed that the liability of said Acquiring Party as the Developer hereunder shall be limited to matters arising or occurring from and after the date that such Acquiring Party obtains possession of the Project or succeeds to the interest of the Developer under the Agreement (whichever is sooner), provided that such Acquiring Party also shall be obligated to cure all Monetary Defaults and all continuing Non-Monetary Defaults (provided that the City has provided notices of all such Monetary Defaults and Non-Monetary Defaults in accordance with Section B(2) above), to the extent that they can be cured by the Acquiring Party, under the Agreement arising before such Acquiring Party has become the Developer under the Agreement and obtain the appropriate approvals from the BRA as required in accordance with the terms of the 121A Approvals.
6. It is explicitly understood and agreed that any Authorized Lender shall have the right to give, on behalf of and in place of the Developer, any notice or election or decision which the Developer otherwise has the right to give, and that, following the delivery of the Authorized Lender Notice related to such Authorized Lender, any such action by an Authorized Lender hereunder shall be recognized by the City and the Developer as an action of the Developer hereunder.

The City agrees that any Acquiring Party shall have the right to operate the Project in the Developer's place and stead as the Developer hereunder, and said Acquiring Party shall, by virtue of its obtaining possession of the Project, be deemed to be the Developer under the Agreement, subject to the provisions of Section B(5) above, and shall execute an express written assumption of all the terms and conditions of the Agreement (which assumption shall be in form and substance satisfactory to the City). Any Acquiring Party shall be subject to the Transfer restrictions with regard to any subsequent Transfer of the Agreement or of the Acquiring Party's interest in the Project. Any act of assignment to an Acquiring Party or deed in lieu of foreclosure executed to an Acquiring Party as a result of a Mortgage Default shall be subject to the written assumption by the Acquiring Party of all of the terms and conditions of the Agreement and to obtaining all appropriate approvals as required in accordance with the terms of the 121A Approvals. Following such a Transfer, the Acquiring Party shall have the right to operate the Project in accordance with the Agreement. Each Acquiring Party shall provide written notice to the City of its possession of or acquisition of the Project within five (5) days after the date thereof.